THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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DEPARTURE FROM FORWARD BUYING AFFECTS BUSINESS

Adoption of Hand-to-Mouth Ordering Shifts Load From Retailer

MORE PRICE CUTTING

Underhand Methods of Meeting Competition Demoralizes Business and Reacts Badly on Dealers Themselves

One factor which has a definite bearing upon the current business situation is the change which has taken place in the policy of retailers with regard to forward buying. It is in no way surprising that future buying should decline during a period of falling prices as it did, but that hand-to-mouth buying still continues two years after prices have been more or less stabilized lends strength to the view that this is a new policy which has come to stay.

The policy of buying only for immediate requirements is distinctly advantageous to the wholesaler and to the retailer since it takes from their shoulders the expensive process of carrying large stocks, and also lessens the danger of over-estimating demand. In fact, as far as the general public are concerned the new policy would seem to be better since it should allow for a better adjustment between supply and demand. For the manufacturer, however, the change is not so advantageous. He must obtain his raw materials in advance and must pay for them on delivery. He is obliged to approach his bank for credits before he has the orders on his books. Furthermore, he will have to carry his raw materials for a longer period, and incidentally is unable to gauge his need for raw materials since he has no accurate estimate of demand. In this way it is necessary for him to make some considerable adjustment, and it is not improbable that this adjustment has been a factor in the present disorganized condition of business. At any rate its solution is essential to the return of normal business stability.

As intimated elsewhere in this issue, if the present satisfactory crop conditions in the West continue and if the price situation is maintained, the West will realize an enormous increase in revenue from the grain crops this year. The prices of wheat, barley, oats, and rye are all considerably above last year's prices. The range of increase in the case of wheat is now approximately 10 cents, and this rise, spread over last year's yield, would mean an increased revenue of about $50,000,000. The splendid outlook is already affecting general business and reports coming from Western Canada indicate that a much better feeling is developing. This cannot but be passed on to the rest of the country in due course.

The revenue from other sources also is larger. Dividends and bond interest on Canadian securities payable in July will total $33,897,000 which is an increase of 10 per cent. over July, 1923. Canadian Pacific net profits for the first five months of the year show an increase of $786,000 over the same period last year. The figure for this year was $7,930,435. The last available figures for car loadings show that the accumulated loadings this year to date exceed those of last year by about 10 per cent.

The employment situation throughout Canada has improved very materially of late. The largest increase took place in the province of Quebec and the Prairie provinces, while construction and transportation requirements in Ontario brought the percentage up materially.

Last week reference was made in this column to the fact that certain wholesalers and manufacturers were resorting to underhand methods of price cutting. Further investigation into this matter shows that these

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Canadian Conditions

Car Loadings—Year to date—			
	1924	1923	
	1,343,731	1,232,825	+ 9.0%
Building—Five Months—			
	1924	1923	
	$38,988,062	$49,925,237	—21.9%
Bank Clearings—Five Months—			
	1924	1923	
	$6,146,469,440	$5,983,250,650	+ 2.8%
Grain Movement—Receipts to date—			
	1923 crop	1922 crop	
	377,250,441	298,247,426	+26.4%
Savings Deposits—Chartered Banks—			
	1924	1923	
	$1,211,504,684	$1,227,253,431	— 1.3%
Current Loans—By Banks			
	1924	1923	
	$1,005,425,951	$1,087,969,788	— 7.6%
Net Dominion Debt—			
	1924	1923	
	$2,385,263,512	$2,406,399,510	— 0.8%
Railway Earnings—Five Months—			
	1924	1923	
C.P.R.	$67,406,000	$63,734,000	+ 5.7%
C.N.R.	95,186,491	94,592,406	— 0.4%
Balance of Trade—Twelve Months, May—			
	1924	1923	
Exp.	$1,069,715,880	$ 958,844,577	+11.5%
Imp.	873,370,752	841,209,002	+ 3.8%
Bal.	196,345,128	117,635,575	+67.0%

Prairie Demand for High-Class Furnishings

A representative of Welch, Margetson, English manufacturers of high class men's furnishings, who has just returned from a trip through Western Canada to the coast, reports the best business of any trip in the last four years.

He had expected to do fair business on the coast, but was not hopeful about the prairies and found conditions on the prairies much better than he expected. This improvement is due to the increased price prevailing for wheat, which not only increases the current income on last year's crop but greatly improved the prospect for a profitable crop this year.

The fact that there is a demand for high class men's furnishings on the prairies is a significant indication of new buying power.

STRIKING MINERS BREAK WAGE SCALE B.C. LUMBERJACKS

Offer to Work of $2.75 When Woodsmen's Minimum Was $4

From Our Own Correspondent.

CALGARY.—It is evident that the mine workers' leaders are playing a waiting game, hoping to keep the strikers together until the commencement of the fall when pressure will be brought to bear on the operators to concede their demands. In face of the lack of financial support it is doubtful if they will be able to do this.

Discontent among the men is daily growing. They are not now clamoring for a three year contract, though insisting on the high wage scale. They made a great point of the long term when they met the operators in March.

An interesting sidelight on the situation has come to light at Fernie, where the miners have been offering to accept work at the lumber camps at $2.71 for a ten hour day. The minimum wage paid the lumberjacks has been $4, and the fact that these miners have been recently swarming into the camps and slashing the wages to such an extent has caused intense indignation, especially in face of the appeal of the district officials to all labor organizations for funds to aid the strikers. Undoubtedly the position of the Fernie and other miners in the Crows Nest Pass is desperate, as they are badly hit by the Home Bank failure, a great number of them having had their life's savings deposited in that bank. If a break occurs with the United Mine Workers' organization Fernie will probably be the first link to snap, although recent events in the domestic coal field at Drumheller are ominous. For instance, one of the locals there was unable to elect its slate of officers. The reason given out by the office here was that the meeting had been "captured" by the Reds. A more correct interpretation is that the rank and file has become heartily sick of the unfulfilled promises of relief and are considering if there is any advantage to be further allied to an American organization.

Double Holly Dividend on Power Deal Success

Rumor has it that the successful completion of the power deal, now in process of negotiation, and which would relieve Hollinger of its power troubles, power plant expenditure and litigation as well, will result in Hollinger doubling its dividend. This would mean $1.30 per year or ten per cent. on the present market price of $13.

WHEAT IS FACTOR IN EXCHANGE RATE

Increased Buying by United States—Will Canada Return to Gold Basis?

NEW YORK.—Increased American buying of Canadian wheat, coupled with reports that Canada is shortly to place her currency on a gold basis, are believed to have been the chief factors in forcing the discount on the Canadian dollar in the United States below the one per cent. level during the past week.

There is some speculation among exchange operators regarding the possible effects of the resumption of specie payments in Canada. Most of those in a position to discuss the situation appear to believe that such a step on the part of the Department of Finance would put the Canadian dollar back at par in the United States permanently.

Beyond this change, however, it is not believed that any others of any great importance would occur. Owing to the plethora of funds in the United States and the low rate of interest prevailing in the American market, it is not likely that there would be any marked withdrawal of American funds from Canada. Recently even with the discount on the Canadian dollar standing at over one per cent. the flow of funds has been on the whole northward.

TO CONSOLIDATE DEPARTMENTS OF TAX COLLECTION

But Ottawa Will Not Yet Take Tariff Out of Politics

From Our Own Correspondent.

OTTAWA.—The long expected bill providing for the transferring to the Department of Customs and Excise of the machinery for the collecting of the income and business profits taxes has at last made its appearance. The resolution is as follows:

"Resolved that it is expedient to amend the Department of Customs and Excise Act to to place the administration of the Business Profits War Tax Act, 1916, and amendments, and the Income War Tax Act, 1917, and amendments, under the Department of Customs and Excise and to provide for the constitution of an Advisory Board to investigate and study various modes of taxation with a view to simplifying and improving the various systems."

This is the first of several expected consolidations in the various branches of the government service. It should result in the saving of much money without loss of efficiency.

The advisory board is the expression of a long felt desire that expert opinion should be consulted more in the levying of new taxes than it has been in the past. It is the intention also to consult more the convenience of business and the community generally in the levying of taxes.

The advisory board will not, however, exercise the functions of a tariff board as the latter is generally considered. The impression here is that it would be inadvisable to attempt to take the tariff out of politics, though it is thought that the Minister of Finance should have more advice in the making of tariff changes than he has to-day.

DIVERSIFIED FARMING ATTRACTS FACTORIES

Dairy Herds for Alberta Cheese Plant and Sugar Beets for Sugar Beet Plant

From Our Own Correspondent.

LETHBRIDGE.—A cheese factory at Coaldale and a sugar factory either at Lethbridge or Raymond, are likely new industries next year. The farmers of Coaldale irrigated area have organized a co-operative cheese factory association and are now waiting for their charter. New herds of dairy cattle are being brought into the district in order to provide the plant with sufficient raw material. The acreage drive for the sugar beet factory has been highly successful, the required 6,000 acres having been pledged. Sugar beet test plots are showing up beautifully and a good crop is expected. Officials of the Utah-Idaho Sugar Company are expected in August to select a site for the factory.

L. H. Timmins Puts $500,000 Into New Arena

From Our Own Correspondent.

MONTREAL.—Construction work will commence shortly on the new Arena to be built on the site of the old Forum. The arena will house horse show and hockey activities. Stock has been purchased by many of the leading citizens of Montreal and L. H. Timmins, one of the directors of the Hollinger Mine, has purchased $500,000 of first mortgage bonds.

Buying Power of Farmers Should be Much Greater

Higher Price of Wheat Means Many Millions in Profits

Crop is Late but is Making Satisfactory Progress

Canada's outlook for an increased national income during the current year becomes better and better as the price of wheat continues to improve in the world markets. The materialization of present crop estimates would go a long way towards restoring prosperity, not only to the farmers of the West, but also to the country as a whole, particularly in view of the unfavorable condition of the wheat crop in other countries.

According to recent estimates, the acreage sown to wheat in Manitoba is 15 per cent. less than last year; Saskatchewan has sown about 2.3 per cent. less, while the Alberta acreage is as great or greater than that of 1923. A decrease of less than five per cent. in the three provinces is indicated, and this made up by larger acreage of flax, corn, sweet clover, and other fodder crops. With improved growing conditions, the yield, according to present indications, should be comparable with that of last year. Prices, however, are very much better. No. 1 Northern was quoted at $1.10 this time last year, while current quotations have reached $1.20. While it is impossible as yet to estimate anything in regard to grades, it may fairly be assumed that the range of prices has increased relatively with the increase in the price of No. 1 Northern, viz., 10 cents per bushel. Assuming on the basis of an acreage comparison alone, that this year's yield will be in the neighborhood of 441,000,000 bushels, the actual aggregate gain to the farmers of the West so far is more than $44,000,000.

In the other leading grains also, a marked improvement in prices has taken place. Oats was 46 cent at the first of July, as against 43 at this time last year, and barley was around 70 cents, in comparison with 52 at the beginning of July, 1923. Rye is 78 cents, as against 63 last year. Flax alone shows a slight decrease. Without going into detail with regard to the probable yield of these grains, it is obvious that, assuming a crop anywhere near that of last year, the revenue from this source will show a handsome intance of this to the country at large is too great to estimate.

The fact that increased prices do not increase the cost of production and represent net profit to the farmer makes the advance of the greatest importance. A ten cent increase in wheat will probably double the profits of a large number of farmers. This not only refers to the new crop, but the crop of last year, many millions of bushels of which are still to be marketed. The wool clip now being marketed is also bringing satisfactory prices, which will be reflected in increased buying power on the part of the farmer.

Crop reports continue to be of a generally satisfactory character, despite the unseasonable weather which has made growth backward in many sections of the country both East and West. Warm, growing weather is the general need, and late reports indicate that such weather has arrived in Western Canada—in fact, there are already fears that in parts of Alberta the crop may suffer from heat. Mail advices from this province indicate that the South is anticipa-

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Improvment in Conditions in West Looked for in Fall

Another Good Crop at Present Prices Would go Far to Restore Financial Stability—Farmers Are Taking Steps to Meet New Conditions in World Markets

Special Correspondence.

WINNIPEG.—The turn of the year in Western Canada finds the winter of discontent pretty well broken up and the glorious sun of work has taken another hitch to his overhauls and is digging in with his summer fallow with renewed optimism.

Last fall general conditions were not good. Southern Manitoba had wilted under the weed blight, southern Saskatchewan had only a fair crop at fair prices, and the province of Alberta, chirking up under the influence of an unexpected heavy yield, slumped down because of the difficulties of harvesting and disappointment over the increased tolls collected at Vancouver.

The West has learned to count no crop sure until the threshers have left, but July 1 usually sees something definite in the way of crop prospects. Dominion Day this year recorded excellent promise, recent rains having given a visible fillip to the growth of the varied crops which the West is now raising. Coupled with this variety in cereals, there is an increase in stock farming and the western farmer this year will be in a better position to tackle his indebtedness than he has been for some years past. He may even have a cash surplus for fall buying, and when he does start to buy it will be on a generous scale. He has skimped on necessities and equipment for so long that when the floodgates are down, the very length of the period of economy and the accumulated pressure will start a steady stream of buying.

It is safe to say that fall buying this year will show considerable improvement. The good crop of 1923, even at the low prices, was very conservatively dealt with and payments were made with great caution. This year sees the farmer a little surer of himself, a little more ready to start buying. Renewed confidence loosens the pursestrings, even when the purse is thin and light and western public men and western business men are more reassured than they have been for some time.

The Westerner has always been a generous buyer, too generous perhaps in some respects. But a thin purse makes a niggard hand and of recent years he hasn't bought because his purse was thin and poor. Renewed

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Flax and Fodders Take Wheat Acreage

From Our Own Correspondent.

OTTAWA.—The first crop estimate issued by the Dominion Bureau of Statistics this year will not be out until July 10th. The lateness of the season makes it difficult to do definite forecasting Unofficial estimates put the acreage under wheat this year at 19,224,900, a decrease of about 5 per cent. as compared with that of 1923. In Manitoba the decrease is placed at 20 per cent., in Saskatchewan at 7.7 per cent., but in Alberta an increase of 7.6 per cent. is reported.

An interesting feature is the increase in the acreage under flax, which is placed at 26 per cent. The acreage by provinces is as follows: Manitoba, 71,700 acres, increase 22½ per cent.; Saskatchewan 535,000 acres, increase 26.8 per cent.; Alberta 32,400 acres, increase 21.4 per cent. This increase in acreage for flax is attributed to the circumstance that the American investigating committee that reported this year on farming conditions in the Canadian West, said that flax was the best paying crop. Corn, sweet clover and other fodder crops show increased acreage as the result of greater interest in stock raising.

CUSTOMS & EXCISE INCOME DECLINING

Effects of Reductions in the Tariff and the Sales Tax Are Now Indicated

From Our Own Correspondent.

OTTAWA.—The customs and excise collections for June accentuate the fact that the government is being confronted by a formidable revenue problem. During the month these collections were $19,705,916, as compared with $26,255,540 for the same month last year. That the effect of the reductions both in the tariff and in the sales tax is now being felt is evident from the circumstance that last month's revenue from these two sources was $3,890,000 below that for May. The customs collections were about $2,000,000 below those for the same month last year, while the excise tax collections were down to the extent of $4,082,000. Excise duties were not much affected, their decrease being only $190,000.

How serious the shrinkage in revenue is may be seen in the fact that for the first three months of the year there was a loss of $16,103,000 in customs and excise collections alone. On the other hand there was no appreciable reduction in expenditure. Of course, against the loss of $16,000,000 must be set an increase of $5,000,000 in the heavier income tax collections.

The results to date show that customs and excise revenue has been sacrificed with no compensating form of taxation that would enable the minister of finance to make good the losses occasioned through concessions to the low tariff element.

Winding Up Further Rural Credit Societies

From Our Own Correspondent.

WINNIPEG.—The government is making progress in the work of winding up the rural credit societies. Early in the year eight of the societies were placed under a public administrator. Twenty additional societies have now been placed under the care of the same administrator.

The total indebtedness of these societies to the province is about one million dollars.

IS ANOTHER BOOM IN BUSINESS DUE?

Montreal Banker Forecasts Period of Rising Prices—His Reasons

From Our Own Correspondent.

MONTREAL.—A local banker fails to place much confidence in discussion of continued business depression in the United States and Canada. He argues that the tremendous quantities of gold on this side of the water have in themselves the ability to create another extended period of rise in prices and apparent prosperity.

Great Britain, on the advice of leading economists, he points out, is making no serious attempt to bring the pound back to par, but is allowing the relationship between the pound and the dollar to remain about equivalent to the relationship between the present index number of prices in Britain and the normal. In other words, instead of trying to bring the pound up to meet the dollar Great Britain is allowing the dollar to come down to meet the pound. This can only be accomplished by a rise in prices in the United States, and this will come through the decreased purchasing value of gold.

A period of rising prices over a term of four or five years would, he submits, naturally lead to a great deal of prosperity and perhaps much senseless inflation, which would extend to Canada.

RIORDON GOES UP FOR FORECLOSURE SALE NEXT MONTH

Bondholders Expect to Bid in Property at the Auction

THEN MAY SELL

It is Possible That International Paper May Then Come in Deal, But Nothing is Yet Arranged

From Our Own Correspondent.

MONTREAL.—Bondholders' committees of Riordon will meet in a day or two and formally authorize the sale of the Riordon properties under mortgage foreclosure. It will take sixe weeks to advertise the sale, which will likely take place some time in August. Quite likely the sale will be a purely formal affair with the bondholders bidding in the properties. This will then leave them free to conduct such negotiations for the sale or disposal of the properties as they see fit.

While in some quarters it has been taken for granted that Riordon is going to pass to the International Paper Company, such a deal should not be considered as closed. It is still in the prospect stage. Reference was made in THE FINANCIAL POST last week to the possibility of International acquiring Riordon and the situation remains exactly as it was then reported; there is a possibility of International Paper Company acquiring the Riordon properties, but it is only one of several possibilities. The stories that appeared during the past week to the effect that the deal was practically completed and would be finally effected within the next few days were very far of the mark.

Mr. Graustein's Dual Role

Strength has been given to the rumor, of course, by the link between Riordon and International through A. R. Graustein, the Boston lawyer who has been much in the limelight of late. Mr. Graustein's firm has been acting as counsel for the 8 per cent. bondholders of Riordon. Mr. Graustein has also been made president of the International Paper Company. There is no connection between the two facts. When Mr. Graustein spent four days in Montreal recently it was in connection with Riordon affairs, but not as president of International Paper Company. There can be little doubt that Mr. Graustein has been much embarrassed by the attempts to put two and two together and link

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Dominion Engineering New Stock is Ready

MONTREAL.—Shareholders of Dominion Engineering Works are now receiving stock in the new company that has been formed to take over the old company of the same name. Holders of stock are receiving one common share in the new company for each two shares of preferred stock formerly held. Holders of common stock have been wiped out entirely.

It is planned to offer $400,000 of common stock to the shareholders. It seems likely that most of this will be taken up by Dominion Bridge, which will likely want to continue to hold the controlling interest in the company.

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Travellers' Letters of Credit

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A General Banking and Foreign Exchange Business Transacted.

The Bank of Nova Scotia

Established 1832

Capital	$ 10,000,000
Reserve Fund	19,500,000
Total Assets	220,000,000

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MILESTONES IN CANADIAN HISTORY

1865 to 1924

ATHABASCA
N. W. T.
KEEWATIN
HUDSON BAY
B.C.
ALBERTA
SASKATCHEWAN
PRINCE ALBERT
ASSINIBOIA
REGINA
MANITOBA
WINNIPEG

1882 The provisional districts of Assiniboia, Saskatchewan, Alberta and Athabasca were formed, and Regina established as the seat of Government of the Northwest Territories.

These four territories were combined in 1905 to form the two provinces of Alberta and Saskatchewan.

Believing in the future of the great West—foreseeing the development of the vast territory between the Great Lakes and the Rockies—the Union Bank of Canada first opened a branch in Winnipeg.

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OF CANADA
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American Currency For Trade or Travel

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THE STANDARD BANK OF CANADA
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Head Office, - - - - 15 King Street West
16 Branches in Toronto

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - - $6,500,000

The Business Outlook

BRITISH COLUMBIA LEADS PROVINCES IN RETAIL SALES

Mining Activity Strongest Factor in Business Recovery of Coast Area

British Columbia is putting up a very strong bid for first place among the provinces in business activity. All four graphs below indicate a quite favorable improvement with the exception, possibly, of the building graph, and it maintains at least a level trend. Bank clearings have shown a gradual expansion during the past two years, and are now close to a high point for the period, with an upward tendency.

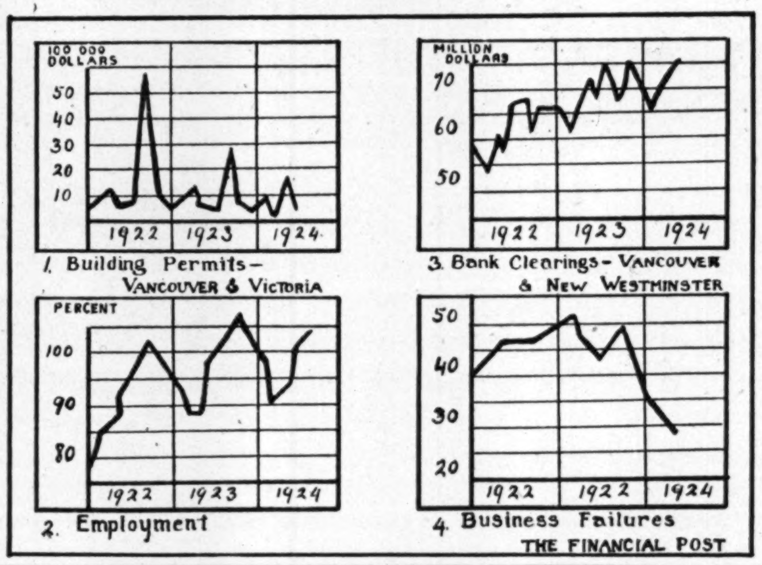
The employment situation in the coast provinces is much more satisfactory than in other parts of the country. The position is now 102, while the highest May figure for any other province is 94, which represents the situation in Quebec. This is due largely to the increased activity in the Portland Canal area.

The failure graph for British Columbia also indicates better business. A decline in the number of failures has continued since the beginning of 1922, and the total for the first quarter of 1924 was small in relation to that of most of the other sections of the country.

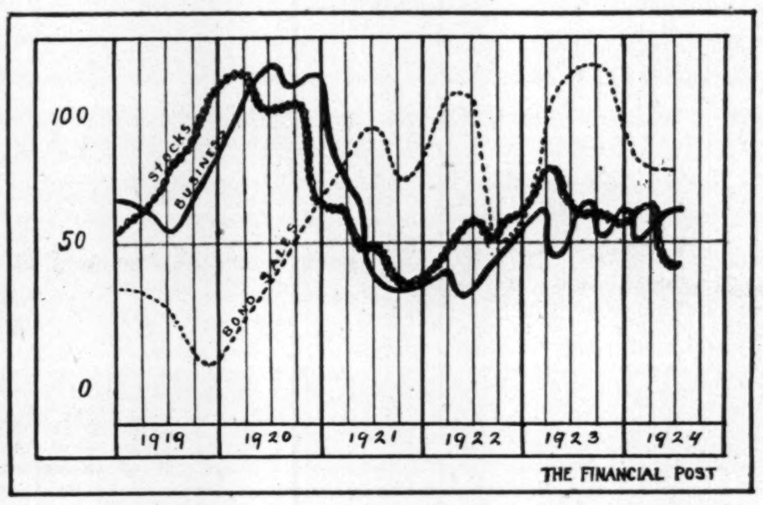
In general, retail business has increased in volume, due in no small measure to the tourist traffic, which yields a larger revenue to this province each summer than to any other. Activity in the mines continues to increase and a number of the old abandoned mines are resuming operations. Reports from the lumber and fishing industries indicate generally satisfactory conditions.

Next week—Review of Progress in Canada.

Conditions in British Columbia



The Business Barometer



With the commencement of a new half-vear, THE FINANCIAL POST introduces its Barometer of business conditions. Contrary to appearances the Barometer is not complicated. It is based on the proven principle that stock market movements are followed after some months by similar movements in general business, and that these in turn are followed by a like trend in the money market. The latter can best be measured in Canada, possibly, by the volume of bond sales. These three lines move consecutively and from a study of any one of them, one gets a rough idea of the later trend of the third.

The present upper position of bond sales indicates that funds are plentiful, and are being used in the bond market rather than in ordinary business transactions. The stock market line, it will be observed, is below the business line. Theoretically the latter will have to pursue a similar downward trend before it again moves upward. It is not necessary, of course, that the dip in the general business line be as marked as that of the stock market line. As the bond sales line moves down, the business and security lines naturally move upward.

THE FINANCIAL POST suggests that its readers follow the changes in the Barometer carefully, as a check on the movements of business. It will be published the first week of each month.

WHOLESALERS PLAN TO COMBAT CHAINS

Want Manufacturers to Sell to Them Exclusively—Cut Costs Looking to Lower Prices

Wholesale grocers are preparing to give the chain stores battle. Activities of the chain store have been serious for the wholesale grocer in directing trade direct to manufacturers. Wholesalers now propose an amalgamation for buying porposes. They plan a holding company with a central purchasing organization. They would buy from manufacturers who would sell to them exclusively and would agree to push these favored manufacturers' wares. The plan is expected to result in lower selling costs for the manufacturer, lower prices for the wholesaler and the retailer, so that the latter can better compete with the chain stores.

Wholesalers feel that they will be able to guarantee manufacturers that 80 to 90 per cent. of the wholesalers will come within the scope of their organization. This agreement would mean that the manufacturer would have to drop sales to chain, department and buying groups. It is understood that some manufacturers have been impressed with the idea, but for one point. They fear for the future of their business, if, after a couple of years' operation, the wholesalers abandoned their buying organization. They are also doubtful of the stability of prices with 20 per cent. of the wholesalers not working within their organization.

Establishment of a woollen mill at Wabamun, on the Canadian National Railway, west of Edmonton, is planned by an Edmonton syndicate.

Repeal of McKenna Duties is Confirmed

LONDON.—The House of Commons confirmed the repeal of the McKenna duties. The McKenna duties on foreign imports were inaugurated during the war and affected chiefly foreign films, motor cars, motorcycles, clocks, watches and musical instruments. Under the duties Canadian-made motor cars enjoyed a substantial preference, the import rate being 22 2-9 per cent., as compared with a rate of 33 1-3 per cent. on United States cars. Under the Snowden budget the duties will be repealed on August 1.

How Protection Built the British Empire

In describing the British Empire Exhibition at Wembley, Roland Ringwalt, a United States writer, after an enumeration of a long list of manufactured articles which the law of 1463 made it unlawful to import into England, continues:

"This was nearly thirty years before Columbus sailed for the New World. England well understood the need of guarding the home market, and legislated for it long before the good Queen Bess came to the throne. When it is said that this Exhibition surpasses all others let it be said that it is the Exhibition of a nation which for half a thousand years steered by the compass of protection. It was largely because of protection that this wondrous empire was built."

Alberta Salt Company, recently organized, plan to establish a salt plant capable of producing from 15,000 to 20,000 tons a year at Fort McMurray, Alta. The authorized capital is $200,000 and plans include the sale of $50,000 of 8 per cent. preference shares, cumulative and participating.

NO RECOVERY YET IN U. S. CONDITIONS

Industrial Output Still Declines—Some Indications of Better Conditions Ahead

No improvement has yet taken place in the industrial situation throughout the United States. In fact, the recession which has been in progress since the middle of April is still in evidence and there is a rather marked falling off in output in many lines. Car-loadings show a material decline in comparison with the same time last year, and the earnings of railroads and industrial concerns have been falling off steadily. It is reported that the iron and steel industry has suffered heavily. Forward business is much below normal and the industry as a whole is operating at less than 50 per cent. of capacity. The textile and clothing industries are also extremely dull.

In addition to the decline in industrial activity there has been a general falling off in the volume of business transacted. This is natural, of course, in view of lowering price levels, but in reality very little actual price decline had taken place. The change here seems to be sentimental rather than actual. Furthermore, it is generally conceded that stocks are unusually low in many lines and that as soon as confidence is reestablished and the political situation cleared, production will have to speed up to capacity in order to meet demand. While this is entirely a matter of conjecture as yet, and while extremely low money rates have been powerless to revive business, certain business executives and economists are beginning to forecast a definite change for the better before many months.

RETAIL METHODS EVER CHANGING

Manufacturers Must Meet Conditions—Trade Journals Educational Factor

WASHINGTON.—In the distribution of manufactured products to the ultimate consumer the retailer plays a very significant role. The manufacturer must be deeply concerned in the retailer's evolution from storekeeper to merchant. It is, however, the degree to which the retailer has educated himself to grapple with the science of merchandising that distinguishes the merchant from the mere storekeeper, says a report by the United States Department of Commerce.

It is essential for the manufacturer to study the mental equipment of the retailer who distributes his products to the consuming public. A large percentage of the evils of cancellation is due not to bad faith, but to that inadequate knowledge of business on the part of the retailer which makes it difficult for him to gauge his demand and to prevent overbuying. This part is now largely recognized by the leaders of industry.

The producer often fails to realize the folly of permitting his customer to "overstock." He is apt to be blinded by the size of the order. The retailer, in buying, seldom considers the wisdom of placing his purchases on such a basis as to permit the correction of an underestimate by subsequent replenishments. His errors are generally in the direction of overbuying, the correction of which is sought in panicky sales at cut prices, which demoralize both the consumer, who learns to defer his purchases in the anticipation of such sales, and the competitor, whose trade suffers because of his neighbor's poor judgment.

The manufacturer must realize the essential oneness of the interests of the producer and the ultimate distributor. He must seek to aid the latter with advice and suggestions. Only thus can be curbed the evil of overbuying and of cancellations. There is here a vast field for educational effort through trade journals and individual exchange of views and experience.

CORN A POPULAR CROP IN THE WEST

Increased Acreage Replacing Wheat in Saskatchewan and Manitoba

From Our Own Correspondent.

WINNIPEG. — Warmer weather and rains have improved the crop outlook over the prairies, according to the reports reaching here. The indications are that the rain was much the heaviest in Alberta and that it grew lighter as it traveled eastward. Manitoba fared rather scantily, moisture still being badly needed in this province.

Alberta and particularly the southern areas, got a good soaking rain at the end of last week, and the farmers were said to be in a high state of jubilation. The reports reaching here would indicate that Alberta's wheat is much the most advanced, but the grain in Saskatchewan is apparently coming along well as a result of the recent rains. In Manitoba the progress thus far has been disappointing, but warm weather and a good drenching rain would do much to rectify the situation.

An interesting feature of the crop reports is seen in the returns showing a greatly increased acreage of corn throughout the whole of the west. Corn has now passed all of the experimental stages on the prairies and has become a recognized product. Special corn shows will be held in the three prairie provinces this fall. The agricultural colleges and the government farms have been recounting the virtues of corn as a fodder crop for years. It appears now that their propaganda has had the desired results.

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DEVELOPING PORT OF VANCOUVER IS NATIONAL AFFAIR

Gives Another All-Year-Round Outlet for Grain

MAKE WORLD PORT

Sufficient Shipping in West to Develop Big Post on Coast —James Carruthers' Views

From Our Own Correspondent.

MONTREAL.—Vancouver should continue to grow as a grain-exporting centre, and will steadily increase its shipments of grain from the prairie provinces. In normal crop years it is extremely advantageous to have a Western port capable of handling all shipments that can be made in that direction, for it is doubtful if eastern ports could handle more than at the present time, and what does not go through these ports will naturally find its way through the United States, a situation which is none too pleasing to Canadians, who deplore the giving of $15,000,000 of transportation charges to American labor from August 31 to March 1 last, when it should have been spent in Canada. The East joins the West in believing that Vancouver should get all the grain business it possibly can from the United States. As Canada grows it is essential that added accommodation must be accorded grain-handling facilities at Vancouver as well as eastern ports, if the United States is not to get all of this desirable trade. For when grain goes through the United States en route overseas, every cent for transportation costs is paid American companies. With three transcontinental railways ready to handle the crop, their opportunity should not be spoiled merely because of inadequate accommodation at points of embarkation.

To quote James Carruthers, one of Montreal's biggest grain men, on this timely topic: "Vancouver is open all year around, and there is no doubt but that it will ultimately be one of the big ports of Canada, just as soon as she can get proper facilities in the way of elevators for handling the grain. At the present time, owing to lack of these facilities, there is any amount of congestion and demurrage to the ocean boats loading at this port. I believe the Government is justified in spending money in order to provide better facilities for the movement of grain via the Pacific route, and no doubt some of the Canadian wheat going out now via United States ports would find its way out via Vancouver."

Three Great Facts

It would seem that three great facts stand out as the result of opertaions during the past winter at Vancouver. One is that the shipping of the world will go to that harbor for cargo; another, that wheat production on the Canadian prairies extends far enough westward on a large enough scale to furnish ample trade for a great world port; and the third, that the opening of the Pacific route places the furthest western plains near the world's markets—as far as transportation costs are concerned—as their more easterly neighbors, either in Canada or the United States. The effect that this change of circumstance must have in increasing far Western production and population in the near future, is beyond present calculation.

As far as Montreal is concerned, it is generally expected by people well versed in the export grain trade, that this city is in for another banner season in grain shipments. Taking into consideration that practically all the available space was booked far in advance for June and a goodly number of vessels have been already chartered for the next several weeks. From the opening of the season to the middle of June, the port of Montreal had handled over 5,000,000 bushels of grain more than during the same period last year, the total amounts being 16,453,876 bushels as against 10,955,890 bushels in the corresponding period of last year. Stocks in the grain elevators at the middle of June amounted to 6,003,111 bushels, which means that slightly over 10,000,000 bushels of grain have been exported this season to date from Montreal. It was in 1921 that the Royal City first outdistanced her great rival, New York City, when she exported 138,453,980 bushels. The following year she jumped farther ahead of the American metropolis, when no less than 155,035,817 bushels were loaded. This was her banner year, for last year she fell down to 120,107,990 bushels. Montreal was not alone in her decrease, however, for all grain exporting centres showed similar decreases. It may be true, however, that part of this falling-off was due to the developing of Vancouver and the Western route.

Lower Taxes, Adequate Immigration Are Needed

The basis of recovery of business in Canada cannot be permanent until the affairs of Europe are settled, financial and economic stability returned and adequate immigration and lighter taxes are achieved in the Dominion. This is the picture of Canada's outlook presented to Hudson's Bay Co. shareholders by Sir Robert Kindersley, Governor. Distinct progress has been made and was being made toward a permanent settlement of European affairs. Every day's delay in the operation of the Dawes report, he declared, inevitably lessened its chance of complete success. Acceptance of this report must be speedily followed, however, by sound financial methods and by credit facilities to Europe on a large scale, without which stabilization of European currency could not be permanently established. "I think," he said, "stabilization will do more to stimulate international trade than any other factor." Co-operation between the United States and Great Britain was essential, but this could be brought about on the scale demanded only when English currency was at a parity and England could rescind the prohibition of free export of gold.

STRIKING ALBERTA MINERS ASK OTHER UNIONS FOR HELP

Financial Pinch Being Felt; International Has Failed to Assist

From Our Own Correspondent.

CALGARY.—The striking miners are now appealing to labor throughout Canada for assistance in their strike. International union of United Mine Workers has failed to give any support, financial and otherwise, despite emphatic statement by President Sherman of District 18 that ample aid from the International was available for a prolonged shut down. It was on the strength of these promises that the strike was unanimously declared. Leaders told the men that with the financial support they had been promised, the public clamor could be safely ignored. They shrewdly emphasized the fact that in summer time the miners do not work steadily, and that with union support they would be better off on strike than working, in addition to which they could go fishing. In the autumn, all economic arguments would be thrown aside, and the need of the country for coal would force the consumer to struggle—on the miners' terms.

Strike relief does not begin until thirty days after a strike is called, according to the miners' constitution. First of May saw no aid and casual inquiries started. The leaders said aid would soon be forthcoming.

Trouble at Fernie

It wasn't, and the first sign of real unrest was a meeting at Fernie. There was talk of an agreement with the Fernie operators on a long term contract which would give them a reasonable wage and the promise of reasonably steady work, the regaining of markets which had been lost, and a truce to the annual cessation of work. President Sherman went hurriedly to Fernie, and saved the situation temporarily with a promise of $3,000 and the immediate consideration by the International of the question of permanent strike pay. Just before this he had been to Indianapolis and knew the International would not aid. So he issued his appeal to all labor for help. Calgary Trades and Labor Council responded with only $50.

The explanation of the position of the International is that the acceptance of the same agreement that Alberta operators are asked to accept, forced on the United States operators over 1,500 union mines are closed while 150,000 men are idle, 2,500 mines, employing 300,000 men are on half-time or less. Union mines are getting the business. The International union of United Mine Workers has been hard hit.

MOVE TO AID N. S. FARM IMPROVEMENT

Province Prepares Fertilizer to Assist in Increasing Productiveness of Land

From Our Own Correspondent.

SYDNEY.—In an effort to stimulate agriculture in Cape Breton and halt the alarming exodus from the farms, the provincial government has established at Point Edward, near Sydney, a limestone crushing plant with a capacity of 20,000 tons of lime dust a year. The province has purchased, at a nominal figure, 500,000 tons of broken limestone now stacked at the Besco quarries nearby, and this will be ground to powder and retailed to the farmers at less than $2 a ton. The soil of Nova Scotia is very "sour" and the application of limestone is to neutralize the acidity of the land. It is estimated that by this means its productiveness can be increased by from 25 to 40 per cent., thus making all the difference between profitable and unprofitable farming.

Sugar Beet Industry for Red River Valley

WINNIPEG.—H. C. Miller, Denver, Col., proposes to build a sugar beet factory here. He has made a survey of the Red River Valley, and confirms the opinion of other experts, that the area is well adapted to the purpose, and that incalculable quantities of the needed beets can be profitably produced here. The erection of such a plant will have some effect on the necessary change in this province, from wheat growing to general agriculture. The by-products, molasses and beet pulp, are invaluable in the raising of cattle and hogs, and the tops are also fed to cattle. Red River valley land, he states, will produce from 10 to 15 tons of beets to the acre, and it is estimated that 6,000 to 8,000 acres have been planted this year.

Militia Dept. Was Short 29 Cars in Coal Supply

WINNIPEG.—The federal commission, inquiring here as to government buildings coal supply, learns that the Militia Department failed to get $10,000 worth of coal for which it paid. Within a period of five months the department signed for and paid for 29 cars of coal, none of which was received.

BANKS BROUGHT IN GOLD WHEN FUNDS WERE AROUND PAR

Recently Have Been Exporting Accumulations—More on Gold Payments

From Our Own Correspondent.

MONTREAL. — An explanation which accounts for much of the reduction of more than fifty million dollars in the gold holdings of the country in the past fifteen months is forthcoming. This is that the immense accumulation of gold in the central gold reserve, in the hands of the banks and in the hands of the government, which reached over two hundred and twenty-two million dollars at the end of January, 1923, was due to the purchase by some of the large banking institutions of gold in New York. It will be recalled that in the fall of 1922 Canadian funds reached par in New York and for a very short period were actually selling at a premium. This situation, though heralded as putting Canada on the top of the world's financial heap, was recognized by bankers as only temporary and the Canadian Bank of Commerce and the Bank of Montreal took advantage of the opportunity to import gold into Canada. They brought this gold into the country with a definite understanding with the Canadian Government that they would be allowed to export it at their own pleasure. Later, when Canadian funds fell in New York and the banks had made a profit on the gold, they shipped it back to New York to meet balances due in the United States.

More to be Accounted For.

This accounts for a large part of the loss in the gold reserves in this country, but when new production of gold is added there is still forty or fifty million dollars to be accounted for. This represents, it would seem, mainly balances due by the Dominion Government in New York and which have been met by gold in order to avoid the payment of the premium on New York funds. Whether this was good policy on the part of the Dominion Government or not is a question to be debated by economists, but the view is held in many quarters that if Canada is to return at an early date to a gold basis that there should be a quiet but substantial accumulation of gold in this country.

As a matter of fact, with the amount of gold that is now in the country, though it is much less than there was fifteen or twenty months ago, Canada's currency is very well secured and those who argue for a return to the gold basis state that there is ample bullion in the country to carry out this move. They feel that a return to the gold basis would be but a formal act involving no immediate or subsequent shipments of gold in any quantities.

The Royal Bank Replies

The Royal Bank of Canada has taken the lead in advocating a return to the gold standard in Canada in articles appearing in their monthly bulletin. One of their recent articles has been criticised by a party who expressed surprise that a resumption of gold payments should be recommended at a time when the gold situation in the United States is such that stability in gold prices is not assured and a rise in prices is well within the bounds of possibility.

To this contention the Royal Bank in its July 1st bulletin responds as follows:

"Among the comments made in regard to the article in our monthly letter for May, advocating a return to the gold standard in Canada, was one in which surprise was expressed that a resumption of gold payments should be recommended at a time when the gold situation in the United States is such that stability in gold prices is not assured, and a rise in prices is well within the bounds of possibility. We do not think that the situation in the United States should make Canada hesitate to return to the gold standard immediately. The business of that country is conducted on such a scale that a moderate rise in prices should serve to absorb incoming gold, even if all importations were added to circulation. Having in mind the comparative success achieved so far by the Federal Reserve Board in its policy of stabilizing prices, there seems no risk of price fluctuations, in either direction, so violent as seriously to affect the usefulness of the gold standard.

"It should also be noted that the fact of Canada not being on the gold standard would not prevent Canadian prices from rising, if those in the United States did so. The price level in the latter country could not remain on an appreciably higher level than ours, unless it were possible for Canadian funds to be at a more or less substantial premium in the United States. If this were not possible, lower Canadian prices would attract a sufficient increase in U. S. purchases to equalize the two price levels as regards commodities we might sell to them, while with Canadian funds in New York no higher than par, the prices of our imports from the United States would naturally increase, with the increase in their domestic price level. Now, as matters stand, Canadian funds can only rise a fraction above par in New York before it becomes advantageous and possible for them to ship gold to this country in settlement of their obligations; and to disassociate our price level from that of the United States during a period of inflation there, it would be necesary to prevent gold imports into this country, a step which is possible legally, but which in practice would present many difficulties.

"We continue of the opinion that there is no real obstacle to the resumption of gold payments in this country, and that such action would bring good results."

Will Gold Cause Price Rise?

Along these lines it must be pointed out that some bankers feel that there will be a steady rise in prices in Canada and the United States in the near future, due to the large amount of gold on this continent which is bound to lose some of its purchasing value. This may lead to prosperity for the next few years with, of course, the inevitable readjustment later.

Contrary to the gold standard argument, it is argued by some people very effectively that as a commercial metal gold is decreasing rather thaa increasing in popularity and that there is no advantage to be gained in keeping it. In fact, it was said that it was a smart bit of work on the part of Great Britain—with big gold mines in Africa and Canada—to agree to the American proposition that the war debts be paid in gold. This has assured a definite market for the British Empire's gold output. While this is now recognized to be advantageous to the British Empire it is doubtful if the matter was thought of in that light at the time the arrangement was made.

Canada's Progress so Far This Century Very Great

During the first quarter of the 20th century, says the Natural Resources Intelligence Service of the Department of the Interior, Canadians have seen their country become in fact, as well as in promise, the controlling factor in the world's wheat trade—one of the giants of international commerce. They have seen her advance at an astonishing rate in the production of pulp and paper, commodities of foremost importance in modern civilization. They have seen her, with a relatively small population, extend her manufacturing activities in countless directions until she is ranked to-day high among the industrial nations of the world. They have seen her engage in trade abroad, both as a selling and as a buying country, on a scale such as few business men would have imagined or dared to prophesy twenty or even fifteen years ago.

C.P.R. BUILDS BRANCH

Will Open Up Northern Irrigation Section Near Lethbridge

LETHBRIDGE.—Work will commence shortly on a branch line between Kipp station and the Little Bow River, a distance of 25 miles through the heart of the new Lethbridge northern irrigation district. This new C.P.R. extension will mean the opening of at least three towns. Surveyors are also running lines between Cardston and Pincher Creek, through the United Irrigation district. This road will probably be built next year.

GAS SUPPLY FOR CALGARY

CALGARY.—Financial arrangements have now been completed whereby Calgary Gas Company will pipe gas from Foremost Field, connecting this up with the pipe line from Bow Island. This ensures an abundant supply of natural gas for Calgary this coming winter.

Change of Name

The Travellers Life Assurance Company of Canada announces a Change in its' corporate name to—

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News and Views for Investors

CANADIAN GENERAL ELECTRIC

At their Peterborough plant, Canadian General Electric are spending $300,000 to $400,000 on extensions this year. A new three-story factory building is going up and much new machinery and equipment is being installed.

CANADIAN FAIRBANKS-MORSE

Passing of preferred stock dividends by Canadian Fairbanks-Morse, while disappointing, was not unexpected. The company has been feeling the effects of some decline in business. The preferred stock is not widely held in Canada.

CANADA CEMENT COMPANY

It is stated by Frank P. Jones, president and general manager of the Canada Cement Company, that the company is employing about the same number of men as last year and is operating at about the same rate. It will be recalled that the Cement Company earned just slightly over its 6 per cent. dividend last year.

ST. LAWRENCE FLOUR

According to General A. E. Labelle, vice-president and managing director of St. Lawrence Flour Mills, domestic business in flour is about the same as last year while export business has declined. However, better export demand is now looked for. The company is employing about the same number of men as a year ago.

ALGOMA STEEL CORPORATION

Algoma Steel's sales have been practically the same as during the corresponding period of 1923 and about 50 per cent. of the company's employees are on the payroll. W. C. Franz, the president, fails to see any bright prospects for business for the next six months. Railroads are not buying and in general the iron and steel outlook is anything but encouraging.

BRITISH EMPIRE STEEL

British Empire Steel rail mill, now out of orders, may not have to close down for three months if the Canadian National Railway places an order for 30,000 tons of rails. There is a report that this will be done. It is understood that the rails would not be paid for until next year. All three Besco issues showed market weakness during the week.

BRAZILIAN

Buying on the part of London and Montreal has resumed in Brazilian Traction. Back in March and again the last of April there was quite an active demand for the shares and they moved up to 52, 53. The past week saw the market fall just a little short of this when 52¾ was reached. Seemingly when the market gets within range of the 53 mark London becomes a seller. Brokers say this has been the case on the last three rallies in the issue.

FORD MOTOR COMPANY

Ford of Canada has increased sales about $3,000,000 for the year to date. The company is employing 5,264 men as against 4,367 a year ago. Conditions are very difficult to predict for the balance of the year, according to W. R. Campbell, vice-president and treasurer, but nothing radical either in the way of improvement or otherwise is expected. On the whole, though, the latter half of the year holds a better outlook than a year ago.

C. G. E. COMMON

The extension of time for shareholders of Canadian General Electric common stock turning in their shares has brought a fairly good response and about one-half of the remaining stock held by the public is now in the company's hands. The offer of the company is to pay in preferred shares and cash. Some shareholders say they prefer to retain their present holding while not a little of the stock is tied up in estates.

MUTUAL OIL

No annual report of Mutual Oil will be issued this year. The reason is the recent merger with Continental Oils. It is understood that in July a consolidated balance sheet will be sent shareholders. Continental is understood to have earned 14 per cent. last year while Mutuals were about 20 per cent. as against 28 per cent. in 1922. The decrease is said to be due, principally, to a decline in inventories, the price of crude and refined products having tumbled. Starting the year Mutual had 1,200,000 barrels of oil in storage. Increases on prices since the last inventory figures were announced should have made a material difference in values.

WINNIPEG RAILWAY

That the street railway made a reasonable showing in the year 1923 is the judgment of most Winnipeg people, considering the fierce competition which it meets in the light and power department from the city of Winnipeg, and the general building and trade depression. A certain amount of building is being done, but not enough to be reflected in the earnings of the company. The general retail trade of the city is slightly below normal and quieter on the whole than it has been for some years. The annual meeting of the shareholders of the company will be held on July 8. That the company earned 4.2 per cent. on the $11,000,000 of common stock is regarded as indicating competent management. Gross earning from operation in 1923 was only slightly lower than in 1922.

TORONTO RAILS

Toronto Railway shares have settled back from par to around 96 there to await the decision of the Privy Council on the arbitration award. The decision was reserved and it will likely be a matter of weeks before a decision is received. In the meantime there is no special interest in the shares and holders are seemingly going to await the decision, judging from the meagreness of the offering this week.

COMPENSATION TOTAL HIGHER

Ontario Workmen's Compensation for the first half of 1924, distributed $3,092,999, compared with $2,956,548. Compensation total was $2,667,959, and medical aid, $425,039. Accidents reported for the past half-year 28,204, of which 171 were fatal, as against 27,745 for the corresponding half of 1923, of which 169 were fatal. Daily average benefits for the half-year was $19,827, and the average number of cheques issued daily 609.

UNITED HOTEL CHANGES

L. S. Muldoon, manager of King Edward Hotel, Toronto, goes to New York as associate manager of Roosevelt Hotel, now under construction for United Hotels. P. Kirby Hunt, formerly with the C. N. R. at Winnipeg, succeeds Mr. Muldoon. R. J. Young, for the past two years assistant to Geo. S. O'Neil, general manager of United Hotels for Canada, is retiring to assume the post of sales manager for Canada Car and Foundry Co., Montreal.

MOUNT ROYAL

That dividend distribution to shareholders of the Mount Royal Hotel in the near future is not unlikely, may be deduced from the remarks of Frederick W. Rockwell, vice-president of the United Hotels of America, who recently attended a meeting of the Executive Committee of the Hotel in Montreal. He stated that earnings this year have been very encouraging, and an announcement will soon be possible which will be of interest to the shareholders, provided, of course, that earnings are maintained at the high scale they have reached.

DETROIT UNITED RAILWAY

Shares of Detroit United Railway, which last week sold up from 30 to 38¼ on transactions of 8,000 shares, this week reacted to 31. The new financing announcement was at first favorably received but since then there has been a loosening of some stock. Pres. E. G. Stevenson regards the recent placing of the 6 per cent. five-year gold notes a good stroke. He says it was very advantageous to the company.

Entering into the plan of financing is a pledge of $3,000,000 of the 4½ per cent. consolidated or underlying bonds, which bonds are eligible to take over payments to be made by the city—payments of $500,000 to be made semi-annually—and these city payments with a pledge of the $3,000,000 of bonds referred to, makes available $1,000,000 per annum ($500,000, semi-annually) for the sinking fund requirements under this new financing. The balance of $500,000 per annum will have to be provided out of the earnings of the company. To have available bonds to take over the payments to be made by the city under the city purchasing contract, D. U. R. purchased in the market over $2,000,000 of bonds by pledging the bonds with other collateral. The $2,000,000 of the collateral for the bills payable referred to, pledged as part security with the banks for su bills payable, is immediately available for the pledge under the mortgage referred to.

On December 1 over $1,000,000 of Detroit Railway bonds mature. When taken over they are convertible into the 4½ per cent. consolidated mortgage bonds and the money provided by the new financing, $9,000,000, provides the money to take these over. When this financing shall have been accomplished, all bonds secured by liens covering the directly-owned Interurban properties will be retired and, in addition, it will provide the money necessary to take over the $1,000,000 of Detroit Railway bonds that are a charge against the property contracted to be sold to the city and also will provide for retirement of all the bills payable of the company. An issue of $600,000 of bonds due in 1926, which are a first and underlying lien on the Pontiac line, will also be provided for.

SHOULD HAVE READ "PREMISES"

In the profit and loss figures of the Huron and Erie Mortgage Corporation, published in the annual Loan and Trust number of THE FINANCIAL POST, the item "Premium" appearing under the heading "Distribution of Profits" should have read "Premises."

FALLING EARNINGS AND CHEAP MONEY JUGGLING MARKETS

Irregularity With no Definite Trend Marked Trading

OPINIONS VARY

Tendency in Some Sections to Encourage Inflation—Others Think Further Adjustments Needed

The stock markets maintain their irregular movements with no signs of a definite trend. On one side is the meagreness of earnings which the market, by its downward movement, has been discounting for some considerable time, and on the other hand there is the sustaining power of cheap money which caused the slight flurry and new interest in the lists. The tendency to employ idle funds in the market is being encouraged, and in some quarters this movement is being used to push along a mild form of inflation. The word is being sent out that the upturn in finance is really discounting an upturn in business. However, a careful analysis of the transactions of the market for the past week hardly justifies this conclusion. At Toronto and Montreal out of 165 stocks which were either the subject of offers or bids only in 104 did actual transactions take place. In at least 40 per cent. of these the trading was confined to one or two days and in a great number of cases only small parcels, generally referred to as odd lots, changed hands.

On the other hand, the trend of prices shows no change whatever. Not any more than five of these had real gains, and only close checking on the fractions brought the total up. The same applies to the losses, which were about the same. Two examples of the hit-and-miss action of the market are shown by Car and Foundry common, which was up one point, while the preferred lost four, and Abitibi common was up one and preferred down one. Brokers generally claim that in a falling market common stocks lose ten points to one lost in the preferreds. Neither stock was subject of any special news during the week.

In regard to the tendency to spread bullish news about the market in the hope of getting action, some of tne leading brokers sound the note of caution that buying of stocks and encouraging others to buy will not of itself swing the business pendulum the right way. Among these are brokers who have satisfied themselves that there must be a further adjustment of prices before the desired upward swing will come.

Hayden and Stone take this view:

"Stocks to-day are neither very hign nor very low; the relation between cost and price of the industrial world is admittedly unsatisfactory. We find it difficult to believe that this can be permanently rectified without some adjustment, for which a further period of time is essential."

Spencer, Trask & Co. think the trend down will go further. They cannot guess how long the cheap money situation will last and they can see no hope for improved business statements for the half year. They do believe that the end of the year will see an improvement. They state:

"How long this ease in money will continue no one can tell. It depends largely on business in this country and on foreign developments. In this country we believe the downward trend in business, to which we have previously referred, is likely to go somewhat farther, although it is not apt to be at all drastic from this point as such movements rarely go to extremes when money conditions are as easy as they are now. At the same time, the earning statements for the second quarter of this year, which should shortly make their appearance, are scarcely likely to provide much ammunition for an immediate bull campaign in stocks. On the other hand, the foreign outlook appears to be very much better and a return of definite peace to Europe should create a good demand for our raw materials and for special articles of export. Taking, therefore, not a narrow and immediate view, but looking at the future from a broad standpoint we see no reason for discouragement. Rather do we feel that long before the end of this year we shall see active and advancing markets in commodities as well as in stocks."

The following table shows the trend of the various groups during the week:

Banks	2	4	5	11
Pulp and paper	4	4	5	13
Steel	3	5	13	21
Milling	2	1	9	12
Utilities	5	3	5	13
Tractions	3	4	10	17
Textiles	0	3	12	15
Industrial, etc.	7	3	53	63
	26	27	112	165

Excelsior Life Makes Changes in Executive

Some changes in the executive of the Excelsior Life Insurance Company are announced by the board of directors. J. H. Black, formerly managing director of the company, has retired from that position and been appointed third vice-president.

T. A. Dark has been appointed general manager. Mr. Dark has had an extensive experience in the insurance field. He has had charge of the actuarial work of the Excelsior Life for the past twenty years, having been also assistant manager for some years. He is a graduate in mathematics of Queen's University, a Fellow of the Actuarial Society of America, and an Associate of the Institute of Actuaries, London, England, being also a member of the Council of the Actuarial Society of America.

WATCHING FOOTHILLS WELL

Imperial Subsidiary Operation Now Producing High Grade Gasoline

Calgary.—Much attention is being paid to drilling of No. 4 Royalite well, near Black Diamond, some 40 miles southwest of Calgary. This is one of the group of wells supplying gas from the Turner Valley field to Calgary. The well is down more than 3,000 ft. and is producing high grade gasoline. The opinion has been expressed by many oil geologists that the deep sands in the foothills have never been tested and should be. Royalite is an Imperial Oil subsidiary.

CUT POWER RATES; RAISE TRAM FARES

Nova Scotia Tramways and Power Makes Adjustments to Regulate Earnings

From Our Own Correspondent.

HALIFAX.—Public Utilities Board has cut light and power rates. W. L. Weston, manager, Nova Scotia Tramways and Power, said that the department showed a $68,000 surplus last year. This dictated the reduction and instead of the straight kilowatt rate a "ready to serve" charge has been substituted for part. The tramway earnings of $551,000 fell $164,000 short of the requirements and new and higher rates have resulted. The average Halifax fare is now 7 cents, while in 1923 it was 6¼ cents. The valuation of the Nova Scotia Tramways and the earnings at the first of the year follow:

	Valuation	Deficit
All services	5,165,714	413,000
L. & Power	2,030,062	*68,000
Tramways	1,885,853	164,522
Gas	1,249,800	124,906

*Increase above 8 per cent. profit allowed by law.

Security Life Executive Has Had Wide Experience

It is announced that W. W. Cooper has been appointed assistant manager and superintendent of agencies of the Security Life Insurance Company of Canada. Mr. Cooper has had over 16 years experience in the Canadian insurance field, having recently been connected with the Continental Life Insurance Company. Previously he was provincial manager for the Northern Life Insurance Company, at St. John, N.B., and was later moved to the head office in London as district manager for Western Ontario. Mr. Cooper was also agency organizer for the Travelers' Insurance Company, of Hartford, Conn., and for the past four years has been inspector of agencies for the Continental Life Insurance Company.

SAGUENAY BONDS REMAIN FIRST LIEN

This is Part of Plan of Reorganization Worked Out by Bond Protective Committee

From Our Own Correspondent.

MONTREAL.—To date the bondholders of Saguenay Pulp and Power Company and the Bay Sulphite Company have been working along different lines in the reorganization of their companies, despite the close financial links between the two. Both companies are now on the verge of reorganization and announcements are expected shortly as to the terms.

The bondholders' protective committee of Saguenay issued an interim report this week, in which the highly satisfactory statement was made that it was likely that a plan of reorganization would shortly be issued that would provide for continuing the present first mortgage bonds as the prior lien of the company and that would provide working capital through the sale of common stock and not through the issuance of bonds. This means complete sale of control of the property to new interests, but the bondholders are ready to dispose of common stock control to anyone who will take over the enterprise without reducing the status of their present security. The report says in part:

"The pulp mills at Chicoutimi were closed as early as the beginning of March and the Val-Jalbert mill about the middle of May, in order to avoid over-production. Administrative expenses were cut down by dispensing with the services of some of the higher oficials and cutting down certain salaries. Cutting, logging and driving operations were carried out in good time and under normal conditions. Advances required for these operations and for the refitting of the mills were secured, first from the Royal Trust Company, trustee for the bondholders, and then from La Banque d'Hochelaga.

"The question of disposing of the stocks of groundwood pulp, amounting to some 26,000 tons was closely looked into, and negotiations with foreign purchasers to that end are now progressing. Steps have been taken to check expenditures to the fullest possible extent; to safeguard the interests of the company in pending or impending litigation with the Bay Sulphite Company; to ward off the danger of a premature sale of the company's estate; to have an accurate financial statement drawn up by the auditors, Marwick, Mitchell & Co.; to secure the company against any claims that might possibly arise out of the 10-year contract with a group of purchasers known as the Ludgate Syndicate; to untangle and define the respective rights of the company and of its employes in a certain insurance and pension fund now on deposit with La Caisse populaire de Chicoutimi and La Banque d'Hochelaga; to insure the payment of the interest on bonds of the Chicoutimi Pulp Company and of the Saguenay Pulp and Power Company, due on the first of July next. The committee, having good reasons to suspect concerted action by possible purchasers of the assets of the Chicoutimi Pulp Company, has lately been considering various schemes of reorganization. One of these should, in the estimation of the committee, prove wholly satisfactory to the bondholders. The committee hope soon to be able to submit it in detail. It can only state in the meantime that the main feature of this scheme is the merging of the various properties and the consolidation of the present first mortgage bonded debts at their present figure, working capital requirements being procured through an issue of common stock and not through an additional issue of bonds."

Bay Sulphite has given no official intimation of the terms of its possible reorganization, but important developments are pending.

N. W. TRUST SHARE SALES WERE INVALID

Court Holds That Balances Due for Stock Cannot be Collected

From Our Own Correspondent.

WINNIPEG.—Balances due for payment of shares at the time of the collapse of North Western Trust Co. cannot be collected, rules Mr. Justice Dysart, in the court of Kings Bench. Promotors of North Western Trust did not secure the consent of the administrator of the Sales of Shares Act that these shares be offered to the public. Holders of the shares who had not paid in full, therefore maintained that the sale contract was invalid and they could not be compelled to pay the balance. A test case was submitted and the judge expressed the opinion that the contract was invalid and that the unpaid balances could not be collected. The amount involved is estimated at $175,000 and the number of persons interested is 240. The case will be carried to a higher court. Ontario, Manitoba, Saskatchewan and Alberta shareholders in the bankrupt concern are interested.

Public Utility Earnings

(Barcelona Traction)

May	1924 Pesetas	1923 Pesetas	Increase Pesetas
Gross . . .	4,598,973.	4,102,048.	496,925.
Oper. exp.	1,907,193.	1,460,111.	447,082.
Net. Earn.	2,691,780.	2,641,937.	49,843.
Aggre. Gross from Jan. 1st	23,914,552.	22,047,150.	1,867,402.
Aggre. Net from Jan. 1st	14,515,462.	12,101,338.	2,414,124.

CAPE BRETON ELECTRIC

Earnings of the Cape Breton Electric Company, Limited, including leased property, for the month of April, 1924, as compared with the same month last year, and also for the 12-month period ending April 30, 1924, as against the corresponding 12 months in 1923, follow:

	April 1924	April 1923
Gross earnings	$ 58,013	$ 55,116
Oper. exp. and taxes .	43,473	49,343
Net earnings	$ 14,540	$ 5,773
Interest charges	5,694	5,607
Balance for reserves	$ 8,846	$ 165
Twelve Months		
	April 1924	April 1923
Gross earnings	$715,419	$657,387
Oper. exp. and taxes	578,560	560,661
Net earnings	$136,859	$ 96,725
Interest charges	68,145	67,479
Balance for reserves	$ 68,714	$ 29,246

(Minneapolis, St. P. & S. S. M. Rly.)

	May, 1924	May, 1923
Freight Rev.	$1,522,485	$1,784,313
Pass. Rev.	251,116	294,462
Other Rev.	205,931	204,604
Total Rev.	$1,979,533	$2,283,380
Total Exp.	1,827,237	1,810,193
Net Ry. Rev...........	$ 152,296	$ 473,186
Taxes & Uncollect Railway Rev.	141,738	166,440
Net After Taxes.......	$ 10,557	$ 306,745
Hite of Equip.-Cr......	$ 67,623	$ 108,814
Rent. of Termin.-Dr....	10,766	8,883
Net after Rents	$ 67,414	$ 406,676
	Jan. 1st to May 31st 1924	1923
Freight Rev.	$6,945,678	$8,329,318
Pass. Rev.	1,492,124	1,728,190
Other Rev.	909,499	877,797
Total Rev.	$9,347,302	$10,935,307
Total Exp.	8,455,302	9,401,217
Net Rev.	$ 891,999	$1,534,090

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G. Schutz Company
Can Manhasset Cotton Co., Ltd.
Can. United States Knitting Co.
Premier Silk Mills, Ltd.
Waterville Veneer & Panel Co.
Can. H. W. Gossard Co., Ltd.
Butterfly Hosiery Co.
Jenckes Canadian Company
Macdonald Wire Goods Co.
Dom. Silk Dyeing & Finishing Co.
Franco-Can Dye Works, Ltd.
Paramount Rubber Consol. of Can. Ltd

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SAY LOWER TAXES FOR CIGARETTES INCREASE INCOME

Government Loses Out When Cigarettes Smuggled Say Manufacturers

From Our Own Correspondent.

MONTREAL.—In spite of the reversion last year to the $6 per 1,000 excise tax on cigarettes, there is still going on, Canadian manufacturers declare, an enormous amount of smuggling of American brands into Canada. Senator Gideon Robertson recently stated in the Senate that no less than 750,000 cigarettes were smuggled from one point alone every week, or 39,000,000 annually; that one American retail dealer claimed of the 700,000 cigarettes sold in his store every week, 80 per cent., or 560,000, went to Canada, and that three other retailers in the same city claimed to sell 175,000, 60,000 and 40,000 cigarettes respectively to Canadians every week. This would mean that these four stores alone are selling 835,000 per week, or 43,420,000 a year for consumption in Canada.

These figures, if they have any sound basis, certainly do indicate that illegal traffic in cigarettes is reaching startling proportions. Tobacco men in Canada think this can only be lessened by a further decrease in the excise tax to something nearer the $3.10 pre-war figure. On the other hand, it is doubtful if the numbers of cigarettes annually smuggled into Canada reaches the huge total of 500,000,000 that the Senator quoted. An authoritative estimate places the annual consumption of cigarettes in Canada at 2,500,000,000 to 3,000,000,000, which would indicate that up to 20 per cent. of the cigarettes smoked every year are smuggled into the country. This percentage, to the reasonable observer, appears to be far too high. Looking at it from another angle, there are hardly more than two million smokers in the Dominion—and that is putting it very liberally—which to take Senator Robertson's figure would show that 250 cigarettes are smuggled each year for every Canadian smoker.

"Legal" Consumption Higher

Official Government statistics for the fiscal year ending March 31, 1924, indicate that taxes were paid on 2,418,342,881 cigarettes in Canada during that period, as against 1,915,896,998 in the same period of the previous year, snowing an increase of 502,445,883. While the smuggling is likely taking place on a large scale, these figures would show that larger amounts are now being used legally and less illegally, for the increase noted above is directly attributed to the reduction of the excise duty. Further, they make tobacco men. at least, feel that if the duty was further reduced the smuggling would be materially cut down and legal importations with their resultant revenue would be notably increased. Ten years ago the duty was as low as $3.10 per thousand, but by 1922 it had reached $7.50, plus 40 cents per pound on the raw tobacco and 2 per cent. sales tax, which brought the total up to well over $8 per thousand. After trying out the new tax for twelve months, Hon. Mr. Fielding came to the conclusion that the duty was so high it defeated its purpose, for less revenue was being derived from importations, while smuggling operations were being promoted on a larger scale than ever. Accordingly in 1923 he reduced the tax to $6 and the increase of revenue that resulted has already been noted. In some quarters, however, it is still believed that the tax is yet too high; that revenue is not what it might be, and that smuggling is still being encouraged.

Placing the loss to Canadian business by reason of cigarette smuggling at $8,000,000 annually, Senator Robertson, in his address, explained how 49 per cent., or almost one-half of what the consumer pays for a 15 cent package of cigarettes, goes to the Government for taxes. The manufacturer gets 3.98 cents to cover the cost of tobacco, paper, fuel, taxes and materials represented in manufacture, labor, wages and all other overhead.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Ask d
Can. Assoc. Goldfields	.04	.07
Can. Westinghouse, pref.	133	135½
Can. Marconi	75	100
Cockshutt Plow, pref.	26	29
Collingwood Shipbuilding, com.	50	60
Cosgrave	5	6
Dom. Power, pref.	92	95
Dom. Power, com.	37½	38½
Dunlop Tire 7% pref.	80	84
Durant Motors (A)	4	5
Durant Motors (B)	5	6
Durant Motors (C)	6	7
Dom. Sewer Pipe, com.	27	30
English Elec., com.	4	5½
English Elec., pref.	43	45
Famous Players, pref. 50% com	71	73
Gunns, Ltd., pref.	32	36
Hamilton Pantages, pref.	44	47
Hamilton Pantages, com.	..	2½
King Ed. Cons., pref.	57	60
King Ed. Cons., com.	33	36
K. & S. Tire, com.	..	50
K. & S. Tire, pref.	10	14
Loew's Buffalo, com.	1	1½
Loew's Hamilton, pref.	44	47
Loew's London, pref.	5¼	6
Loew's Ottawa, pref.	19	22
Loew's Toronto, pref.	64	67
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	25	30
Mount Royal Hotel, com.	..	9
Mount Royal Hotel, pref.	42	44
North Mexico Power, com.	14	15
Robt. Simpson, pref. 6%	89½	91½
Tiger Tire Unit	..	6
Western Grocers, pref.	..	33
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	22	27
Can. Mortgage	67	..
Continental Life	25	29
Crown Life	99	..
Excelsior Life	33	..
Great West Life	230	..
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	..
Monarch Life, 10% pd.	13½	..
National Life $25 pd.	50	..
Ont. Equitable	..	17
Peoples Loan	70	..
Sovereign Life	17	21
Sun Life 50% pd.	170	..
Sun Life 35% pd.	140	..
Sterling Bank	89	92
Trusts & Guar.	68	71

Dominion Glass Attracting The Attention of Investors

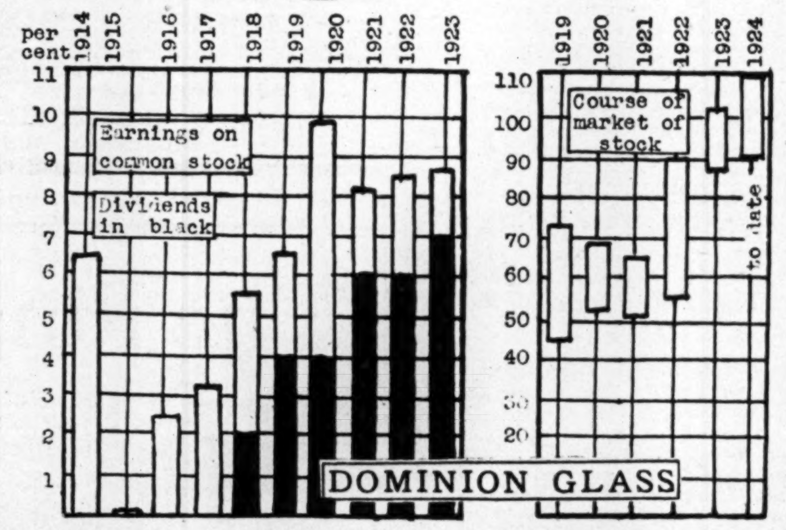
Business This Year Holding About at Last Year's Level When Nearly Nine Per Cent. Was Earned on the Common Shares of the Company

From Our Own Correspondent.

MONTREAL.—Dominion Glass common shares have attracted considerable attention among stock market followers of late, because of their steady rise to new high levels and their strength around these peak prices. The shares have been holding around 107, which is not far below the record high price of 110, and is rather high for a 7 per cent. stock, even a good one. At 107 the yield to the investor on the stock is reduced to about 6½ per cent. However, high and steady market prices and low yields seem to be a general attribute of the stocks of companies of which Sir Charles Gordon is president. This is at the same time a rare tribute to Gordon's business abilities, and an expression of the confidence investors feel in his companies.

Obviously, investors are looking for higher dividends on Dominion Glass shares. The dividend rate was increased last year, and still higher dividends are bound to come in time. In each of the past four years earnings have been well over 8 per cent. and have been stable. In view of the heavy payments required for bond sinking fund and the extensive depreciation reserves that have been set up, it may be regarded as certain that the indicated earnings have been, to say the least, conservatively expressed.

Dominion Glass is the largest factor in the glassware trade in Canada, and turns out a wide variety of glass products from its seven plants, six of which are now operating, and the seventh of which has been practically scrapped as obsolete. Its products include nearly everything in that line except sheet glass, this is not manufactured at all by Dominion Glass. Included are bottles for distilleries, breweries, food packing concerns, druggists and chemists, as well as fruit jars, opal jars for ointments and cosmetics, tableware, and electric lamp shades. The latter are made at the Toronto plant of the Jefferson Glass Company, which is controlled through stock ownership by Dominion Glass.



As such a large proportion of the company's product has in the past consisted of bottles sold to distilleries and breweries, it may seem that the spread of prohibition would have cut deeply into the company's sales. This has not been the case to any serious extent. In fact, it is an open secret that one source of profits to the company has been in the fact that Canada's export trade in wet goods has grown greatly in the past few years. The exported bottles filled with their cargoes of beer and rum, seldom return to Canada, and have to be replaced. Most of the glass companies have benefited in this way in the natural course of the business that comes to them from the breweries and distilleries.

One of the most popular points of Dominion Glass is its high good will account, one of the largest good will accounts of any Canadian concern. It amounts to well over $4,000,000, and makes many investors shy at Dominion Glass stock. In fact, this good will account represents a large proportion of the company's assets. Although the stock is selling at more than par, the actual book value of the common shares, according to the latest balance sheet, was less than $36 a share.

Before criticism be leveled at this feature of the company's balance sheet, some other considerations ought to be invoked for study. The company has for a number of years pursued a policy of writing down its fixed assets by a large sum each year. It has also a very large bond sinking fund account and a substantial reserve fund. For instance, at the end of the last fiscal year—September 30, 1923—the various reserves totaled $2,471,370, while the total fixed assets were shown in the balance sheet at $4,913,871. Reserves amounted to about 50 per cent. of fixed assets. This means that the company has been rapidly depreciating its property account without touching its good will account to any degree, although a start was made last year when $400,000 was shown as written off good will. It is only guess work, but probably fair guess work, to say that the company's properties are actually worth, as going concerns, more than the total amount shown in the balance sheet for fixed assets, good will, trademarks, patents, etc.

And in considering good will it must not be forgotten that Dominion Glass is the owner of a number of very popular products in glass, that have a firmly-established reputation with the Canadian housewife.

Dominion Glass has come in for a good deal of discussion last year, when it was expected that the company would make arrangements to sell gas from the field near its Redcliffe, Alberta, plant for distribution in the city of Calgary. The company had no real desire to go into the business of wholesaling gas, for it had purchased its gas leases in order to protect the future fuel supply of its Western plant. But when it became apparent that the fields might be tapped by other interests, the company felt that it would have been better to get some revenue from the gas, than to have it used without revenue to themselves. However, nothing came of the negotiations last year, but something may be done in the future.

At the moment, Dominion Glass is operating on about the same scale as last year, when business was satisfactory, considering general conditions, and when nearly 9 per cent. was earned towards common stock dividends. Prospects are bright and the stock may be regarded as a security that is rapidly becoming stabilized as a good investment.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JUNE 30

	Div. Rate	Yield June 28	High For week	Low For week	Close June 30	Close June 24	Sales For week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.66	180	180	180	180½	34	188	178
Dominion	12	6.76	177½	177	177	177	59	187	177
Hochelaga	10	6.92	144½	144	144½	144	6	159½	143
Imperial	12	7.01	171	170	170	172	16	179	169
Molsons	12	8.10	148½	147½	147¾	148½	30	159½	147
Montreal	12	5.00	240½	240	240	240	75	248	230
Nova Scotia	16	6.36	251	250	251	251	54	260	248
Royal	12	5.58	215½	215	215½	215	127	218	211
Standard	12	7.55	158¾	158¼	158¾	158¼	10	168	158½
Toronto	12	7.05	170	169¾	170	169¾	34	179	169
Union	8	7.76	103¼	102	103	101⅞	47	109¼	100
Paper—									
Abitibi, com.	4.00	7.14	56	54½	55½	55¼	564	69	54
Do. pref.	7	7.08	98¾	98¾	98¾	99¼	35	103½	98¾
Brompton Pulp	..	....	31	30	30	31¼	366	43	29
Laurentide	6	7.01	85¾	85	85½	85¼	150	98½	84¼
Price Bros.	2	4.87	41	40½	41	42	40	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	110	83
Do. pref.	7	7.77	..	..	..	..	..	97½	90
Smith, Howard, com.	6	13.33	48	45	45	48	130	75	45
Do. pref.	8	8.69	92	92	92	90	62	100	90
Spanish River, com.	7	6.60	107	104¼	107	105	711	114¾	96
Do. pref.	7	6.19	113	111¼	111¼	111½	477	119½	100¾
St. Maurice Paper	6	6.81	88	88	88	87	10	113¼	83
Wayagamack	..	....	34	34	34	34	50	45	32
Steel and Steel Industries—									
B.E. Steel, com.	..	....	3	2½	2¾	3	145	6	2½
Do. 1st pref.	..	....	38¼	35½	38¼	39	111	57½	35
Do. 2nd pref.	..	....	9⅛	8½	9	9¼	474	17	8
Can. Car & Foundry, com.	..	....	46½	45½	46½	45	845	50	36½
Do. pref.	7	8.14	90½	86	86½	90⅛	296	97	84½
Can. Foundries, com.	..	....	..	..	..	..	..	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.01	..	..	..	..	..	67	65
Do. pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	....	45	45	45	45	10	80	52
Dominion Iron, pref.	..	....	..	..	..	..	..	57	31
Dominion Radiator	7	7.40	..	..	..	..	..	95	94
Dominion Bridge	4	6.15	65	63	65	64	150	80	60
Dom. Steel Corp., pref.	..	....	45	45	45	45	5	73	40
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40¼
Do. pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	....	..	..	..	..	..	6	4¾
Do. pref.	..	....	..	..	..	..	..	28	25¼
Steel of Canada, com.	7	9.58	73	71	73	71	367	83	69½
Do. pref.	7	7.00	100½	100	100⅜	100	72	105½	99½
Milling—									
Canada Bread, com.	4	5.44	73½	71	73½	73¼	78	74¾	63
Do. pref.	7	7.14	98	97	98	97	129	98½	95
Inter. Milling, pref.	7	7.48	93½	93½	93½	93½	5	96½	93
Lake of Woods, com.	12	6.85	175	175	175	174	30	180	167
Do. pref.	7	5.97	117¼	117¼	117¼	117¾	15	120	115½
Maple Leaf, com.	..	....	62	62	62	59	10	69	59
Do. pref.	7	7.69	91	91	91	91	10	95⅜	87
Ogilvie Flour, com.	12	3.93	305	305	305	305	40	350	304
Do. pref.	7	5.92	..	..	..	..	..	120¼	116
Shredded Wheat, com.	8	5.81	..	..	..	..	..	138	137½
St. Law. Flour, com.	6	8.60	70	69¼	70	69¼	10	73	66
Do. pref.	7	7.77	..	..	..	..	..	91½	89
West. Can. Flour	8	8.08	..	..	..	..	..	105	98
Utilities—									
Bell Telephone	8	6.15	130½	129	131	131	370	132⅛	125
Consumers Gas	10	6.19	162	161½	162	161½	11	166½	159
Dom. Telegraph	6	6.93	43¼	43¼	43¼	43¼	6	44½	43
Kaministiquia	8	7.54	..	..	..	..	..	113½	104
Mackay, com.	7	6.22	113	112	113	112½	78	120¼	110¼
Do. pref.	4	6.10	66	65½	66	65½	170	71½	65
Mexican Light, com.	..	....	..	..	..	..	..	20	18
Montreal L. H. & Pr. Cons.	7	4.08	171½	170½	171	170¼	1560	172	140⅛
Montreal Telegraph	8	6.40	49¼	49¼	49¾	50	14	52½	48
Ottawa L. H. & Pr.	6	7.31	82	82	82	85	5	86	81
Quebec Power, com.	..	....	72	72	72	75½	25	76	64
Do. pref.	7	7.27	96¼	96¼	96¼	95	1	96¼	90
Shawinigan	7	5.36	131½	130½	130½	130	68	135½	118½
Transportation—									
Canadian Pacific Rly.	10	6.64	150½	149½	149½	149	237	154	147¼
Canada Steamships, com.	..	....	12	12	12	13	15	16	11
Do. pref.	..	....	48½	47½	48½	47	306	52	41½
Tractions—									
Barcelona	..	....	..	..	..	..	..	20	12⅞
Brazilian	4	7.58	52¼	50⅞	52⅛	50⅛	10586	53⅞	41¾
Detroit Un. Rly.	..	....	37	30½	30½	38¼	876	72½	30
Duluth-Superior	..	....	25	25	25	25⅛	25	35	19½
Illinois Traction, com.	2	1.99	103	100½	103	100½	45	101	60
Do. pref.	6	6.50	..	..	..	..	..	93½	87
Montreal Trams.	10	5.95	168	168	168	167	20	170	148
Porto Rico Rlys, com.	..	....	26	24	26	20½	360	28	17
Do. pref.	7	9.92	..	..	..	..	..	75	66
Quebec Rly.	..	....	17½	17½	17½	17	5	18	14½
Toronto Railway	..	....	100¼	95⅛	97¼	95½	9202	100¼	80
Twin City, com.	4	8.00	50	49	49	50	495	69	49
Winnipeg Elec., com.	..	....	25	25	25	24¼	25	30	24
Do. pref.	7	9.33	75	74½	75	75	66	85	74
Textiles—									
Can. Conn. Cotton, pref.	8	....	55	55	55	60	20	80	53¾
Can. Converters	7	9.33	75	75	75	78	30	90	70
Can. Cottons, com.	8	8.24	..	..	..	..	..	111	85½
Do. pref.	6	6.85	87½	86½	86½	89	33	91	86½
Can. Woollens, com.	..	....	..	..	..	..	..	7	6
Do. pref.	..	....	..	..	..	..	..	41½	35
Dom. Textile, com.	4.00	7.01	57	56¾	57	57	71	66	54
Do. pref.	7	6.48	..	..	..	..	..	109½	104¾
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	10.29	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	100	98
Do. pref.	7	6.66	..	..	..	..	..	107	104
Penmans, com.	8	5.47	..	..	..	..	..	165	134
Do. pref.	6	6.29	95	95	95	95¼	4	97	92
Wabasso Cotton	4.00	6.89	58	58	58	58	10	72	58
General Industrials—									
Amer. Salesbook, com.	5	....	..	..	..	..	..	47	38½
Do. pref.	7	8.23	85	85	85	85	85	95	86¾
Asbestos, com.	..	....	24¼	24	24¼	19	145	35	19
Do. pref.	6	10.00	60	60	60	57	147	62	52
Atlantic Sugar, com.	..	....	..	..	..	..	..	21¾	13
Do. pref.	..	....	..	..	..	..	..	51	35¼
Bird & Son, pref.	7	8.14	..	..	..	..	..	89	86
B.C. Fishing	..	....	..	..	..	..	..	15¾	8
Burt, F. N., com.	10	7.84	127½	127½	127½	127½	35	137⅛	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.83	87¾	87¾	87¾	87¾	30	93	83½
Do. pref.	7	6.66	105	104½	105	104½	30	108	102¼
Can. Gen. Electric, com.	6	5.35	..	..	..	..	..	58½	52½
Do. pref.	7	6.73	52⅛	51¾	52⅛	56	323	54	51⅛
Can. Indust. Alcohol	8	....	32¼	31	31½	31¼	6356	32¼	26
Canadian Salt	8	7.14	..	..	..	..	..	115½	109
Carriage Factories, com.	..	....	..	..	..	..	..	2⅛	¼
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	10	5.00	51	50¾	51	50	85	51	40¾
Do. pref.	7	6.36	110	110	110	110	8	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51⅞	46
Cuban Can. Sugar, com.	..	....	..	..	..	..	..	13	6
Do. pref.	..	....	33½	33½	33½	34	5	54	33½
Dom. Canners, com.	..	....	26¼	25⅞	26½	26¼	36	35⅛	20¾
Do. pref.	7	8.14	86	85	86	87	15	90	82
Dominion Glass, com.	7	6.61	105¼	105¼	105¾	105	95	110	102¼
Do. pref.	7	6.65	..	..	..	..	..	107	103
Dominion Stores, com.	1.00	....	25½	24½	25½	24½	35	30	24½
Do. pref.	8	9.19	88	88	88	87	15	90	81
Davies, Wm. (A)	..	....	..	..	..	..	..	20	15
Eastern Theatres, com.	..	....	..	..	..	..	..	14¾	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	465
Goodwins, com.	..	....	..	..	..	..	..	48½	20
Do. pref.	7+40¼	....	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.85	72½	71	72	71¼	20	81¼	71
Holt, Renfrew, pref.	7	13.20	..	..	..	..	..	66	52
Frontenac Brew., com.	..	....	68	66	66	69	20	70	60
Do. pref.	7	7.75	90¼	90¼	90¼	91¼	9	122	90
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	10½	10½	10½	11	25	21	10½
Macdonald, A.	..	....	5	5	5	4	1	5	4
National Brew., com.	4.00	7.84	51½	50	51½	50	245	56¾	48½
Do. pref.	7	7.21	97	96¾	97	99	2	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	97
Do. pref.	7	7.00	100⅛	100	100⅛	101	28	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	50½	50⅜	50	51	75	70	45
Do. pref.	7	7.91	..	..	..	..	..	100	86
Russell Motor, com.	..	....	..	..	..	..	..	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com.	6	6.00	..	..	..	..	..	110	100
Do. pref.	7	7.07	99	99	99	99	2	103	98½
Sterling Coal	4	9.87	..	..	..	..	..	44	40
Tuckett Tobacco, com.	4	6.66	..	..	..	..	..	64½	57
Do. pref.	7	7.21	97	97	97	96½	40	97	92½
Woods Manufacturing, com.	..	....	25	25	25	35	5	35	25
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.36	78½	78¼	78¼	80	12	86	78¼
Can. Permanent	12	6.70	182	179	182	179	14	187	179
Colonial Invest.	6	....	..	..	..	..	..	7	4¾
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7	5.71	122½	122½	122½	125	10	125	120
Landed Banking	9	6.52	..	..	..	..	..	142	138
Montreal Loan	12	6.48	..	..	..	..	..	46¼	46¼
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	8.23	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	..	..	..	..	..	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85¼	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

MOUTH and EARS

An ancient philosopher has pointed out that men are given two ears and only one mouth, so that they shall talk less and listen more. We seek an opportunity to talk to you only on the promise to advance some ideas worth listening to.

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The Montreal Metropolitan Commission

$1,462,000. 5% BONDS MATURING NOV. 1st, 1949
$1,150,000. 5% " " MAY 1st, 1951

Principal and semi-annual interest (1st May and 1st November) payable at the office of the Bank of Hochelaga in the City of Montreal. Bonds are printed in the English and French Languages and may be registered as to principal if desired.

DENOMINATIONS, $1,000

The Montreal Metropolitan Commission was created by Statutes of the Province of Quebec for the purpose of establishing a system of financial control of the municipalities on the Island of Montreal by a central authority, while still preserving their autonomy.

This loan, part of a total outstanding of $6,862,000, is secured on the taxable immoveable properties, amounting to $898,928,453, of the municipalities subject to the control of the Commission, and the **municipalities are jointly and severally responsible for this loan.** The municipalities subject to the control of the Commission are the following:

Cities of Montreal, Westmount, Outremont, Verdun and Lachine. Towns of LaSalle, St. Pierre, Hampstead, Mount Royal, St. Laurent, Montreal West, Montreal North, Montreal East, St. Michel, Pointe-aux-Trembles, Laval de Montreal. Total population exceeds 860,000.

The bonds are offered if, as, and when issued, and subject to favourable opinion being received from our solicitors, Messrs. Brown, Montgomery, and McMichael, Montreal.

It is expected that definitive bonds will be ready for delivery about July 15th, 1924.

Price: 98¼ and interest, to yield about 5⅛%

HANSON BROS. RENE T. LECLERC, Inc.
HARRIS, FORBES & CO., Limited
R. A. DALY & CO. MATTHEWS & CO. Limited

The information given in this advertisement is based on official statements and on statistics on which we have relied in the purchase of these bonds. We do not guarantee it, but believe it to be correct.

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Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

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Jute and Cotton Bags
Hessians, Buckrams
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Tents
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Clothing and Cotton Fabrics

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WINNIPEG, WELLAND

HEAD OFFICE
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Dominion Textile Company
LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

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Refineries - St. John, N.B.

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Makers of FIVE ROSES FLOUR
Mills at Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 13,700 BARRELS

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CANADIAN NATIONAL RAILWAYS
Department of Colonization and Development

A Bureau of Information is conducted in connection with the Canadian National Railways Colonization and Development Department, the extensive facilities of which are at the service of all requiring information concerning

OPPORTUNITIES IN CANADA

For the investment of capital in manufacturing, mining, lumbering, pulp and paper, water powers and other industries relating to the development and utilization of the natural resources of the Dominion.

ALSO OPPORTUNITIES FOR THE INDIVIDUAL IN FARMING AND GENERAL BUSINESS ACTIVITIES.

The Canadian National Railways serve the nine Provinces of Canada between the Atlantic and Pacific Coasts, its principal cities and towns, and afford convenient access to vast undeveloped areas possessing unmeasured natural resources—timber, minerals, fisheries, lands—that offer unequalled opportunities for human enterprise.

Particular attention is given to business and professional openings in Western Canada, and the unrivalled attractions of the mineral fields adjacent to the Canadian National Railways.

Write: Department of Colonization and Development, Canadian National Railways, for pamphlets and information.

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GENERAL MOTORS SHARE EXCHANGE

Holders of outstanding common stock of General Motor Corp. (no par value) may exchange their shares for shares of the new common stock on a basis of one share of new for each four shares of old surrendered on or after Sept. 15.

DETROIT UNITED DIVIDEND LIKELY TO BE GONE LONG

New Financing Considered Favorable But Dividends Uncertain

PAY OFF ISSUES

New Bond Issue Enables Company to Meet Many Obligations and Will Strengthen Position

From Our Own Correspondent

MONTREAL.—There is little doubt any more the President Elliott G. Stephenson, of the Detroit United Railways, will have to tell his shareholders on July 21 that the dividend of 6 per cent. cannot be maintained. Mr. Stephenson has called a shareholders' meeting for that date, to authorize the new $10,000,000 bond issue, and has promised that the shareholders' question regarding dividends will be answered then. It is felt that the dividend will have to go. The sinking fund provisions of the new bond issue are such that an accumulation of earnings will have to be built up and this can only be done, it is considered here, by passing the dividend. The passing of the dividend can hardly affect the stock much. The ticker has already told the story and the stock is selling at around 35, which is much too low for a 6 per cent. security.

The President's Letter

On the whole though, the success of the new financing has improved the tone of the market for Detroit United. The letter of the president to the shareholders goes into the reasons for the new financing very thoroughly. But Mr. Stephenson is a lawyer and his letter is somewhat complicated for the man on the street to understand. The sum and substance of it is that the company must relieve the city of Detroit of the mortgage on the interurban lines of the company and this can only be done through the issuance of new bonds covered by notes. And at the same time to complete the whole job at once an 8 per cent. first mortgage issue is being redeemed, provision is being made for other issues that are falling due, working capital is being enhanced and money is being provided for new extensions. All of this is being arranged on rather favorable terms, the 6 per cent. five year notes having been offered to the public on a 6.20 per cent. basis.

The Sinking Fund

The sinking fund provisions are onerous, it seems at first glance, but call for only $500,000 annually from company earnings. Even this amount is large and is believed to necessitate passing of the dividend. The dividend, if it goes, is likely to remain unpaid for some time, but looking ahead one can see prospects of remarkable improvement in the company's affairs in the next few years, when a great deal of solid strength will have been built into the system by investment of new capital, by reinvestment of capital through sinking fund operations and by retirement of mortgages.

An interesting summary of Detroit United, made the other day by a New York investment writer, includes the following paragraphs:

"Incorporated back in 1900 as a consolidation of lines in and around Detroit, Mich., the Detroit United Railway is one of the few tractions that have gone through the past two decades without a receivership. With such a record behind it, and in view of the fact that it appears now to have solved the general problems that recently have confronted most traction properties, Detroit United is in a position to teach some things to less fortunate companies of its group. The situation is all the more interesting because the system now does what is primarily an interurban business in the country's centre for automobile manufacture. About two years ago, the City of Detroit purchased the company's urban lines, and it was that action which placed the company in the interurban category. However, it still does an urban business in several of the cities outside Detroit.

Lines Radiate from Detroit

"The Detroit United Railway System comprises about 583 miles of railroad connecting the City of Detroit with such places as Flint, Toledo, Ann Arbor, Jackson and Port Huron. A large part of the interurban mileage is on private right of way and is operated under the jurisdiction of the Michigan Public Utilities Commission. While the system operates in a fairly prosperous section, in which it is common for working families to own a car, the interurban passenger business is good and comprises approximately 83 per cent. of the gross revenue. The system's freight business, which comprises the other 17 per cent.—and this is an interesting point—is growing, and, some experts have figured, should offer one of the best avenues for development in the future. There seems to be an especially good opportunity for a larger freight business between Flint and Detroit, and plans are under way for an increase in facilities.

Fare Based on Costs

"Detroit United Railway is one of those tractions, not yet numerous enough, which have succeeded in obtaining a fare that is based upon costs. The evil of the traction business long has been that irrespective of operating costs, the fare remained fixed at a nickel. No longer is that the case of Detroit United. The company has been allowed a valuation of $34,000,000. It then is permitted to earn operating expenses and taxes, 2 per cent. for depreciation and 7 per cent. in addition. Such an arrangement places tractions on a scientific basis as to fares, breaking away from the antiquated old fixed-fare scheme.

"It is not practicable to examine the system's earnings over a period of years, since the separation of interurban from the Detroit urban lines was not made until 1922. During 1923, however, gross railway revenues aggregated $9,275,030 and operating expenses and taxes $7,816,935, leaving $1,458,095 available for fixed charges. Other income was $462,151, making the total balance available for fixed charges $1,920,246. Upon completion of the present financing the annual interest requirements will be $1,042,300, a figure that is covered 1.83 times by the available 1923 net earnings."

INDUSTRIAL ALCOHOL EARNINGS HIGHER

Expected 1924 Statement Will Show Justification for Increase in Dividend Rate

From Our Own Correspondent.

MONTREAL.—Following the recent increase in its dividend rate, Canadian Industrial Alcohol stock has been showing strength on the Montreal Stock Exchange, going to new high levels. The stock is now selling at three times the price at which it opened about a year ago in unlisted trading.

The movement has been accompanied with a healthy increase in the shareholders' list, which was one of the aims of the listing. The company's financial statement will not be out for some months yet, but with nine months of the fiscal year passed prospects are for a statement that will show a nice increase in earnings over 1923, although sales have been only moderate in volume.

The company's business is showing increases in Western Canada. It will be recalled that a separate Manitoba subsidiary was formed a few months ago with some leading Winnipeg business men linked with it. This organization acquired an idle brewery that had been built by the Mackenzie-Mann interests and is converting it into a distillery. Another distillery is owned by Canadian Industrial Alcohol in British Columbia and it is quite likely that it will eventually go into a new subsidiary company to be organized.

Attempts have been made by New York brokers to get the stock for New York listing, but nothing has come of the suggestion to date.

FROZEN AIR MAY WIDEN FISH MARKETS

Expected It Will Enable Nova Scotia Fishermen to Sell in the West

From Our Own Correspondent.

MONTREAL.—The fishing centres in the Maritime Provinces are feeling particularly pleased at the result of the recent experiment of bringing a car load of fish to Montreal cooled with frozen air. The new system, known as carbon dioxide refrigeration, is aimed to replace ordinary ice in the transportation of perishable food stuffs. In the experiment recently made the car of fish was not opened for ten days and the fish was found to be fresh and free from taint or odor. This seems to demonstrate the possibility of selling Nova Scotia fish in Winnipeg.

Frozen air was demonstrated in a St. James Street window the other day when a cylindrical block of the frozen gas was placed in a spot where the sun's rays poured on it all day. Yet it took many hours for the "Ice" to melt.

While there is much experimenting yet to be done to definitely determine its limitations, it seems to be proven that this system of refrigeration for fish shipments can be made commercially practicable. The railways are prepared to adjust their refrigerator cars to carry carbon ice instead of water ice, and as soon as this is done it will be possible to ship fresh fish to points at least ten days distant from Halifax. Meantime the Frost Air Corporation of New York, the company manufacturing this gas, have procured a building adjoining the National Fish Company's plant in Halifax for the purpose of manufacturing the gas there, and apparently a new era in the shipment of fresh fish is being opened.

CANADA TO DOMINATE W. INDIES FLOUR TRADE

This Country Fast Gaining Control of Entire West Indies Business

From Our Own Correspondent

MONTREAL.—Canada is to-day the dominating factor in the flour trade of the British West Indies, and in the opinion of G. W. Hensley, of Pickford & Black, Ltd., of Halifax, the time is not far distant when she will hold the trade of the entire West Indies, and ports along the Spanish Main, in the hollow of her hand. According to Mr. Hensley, the United States farmer is drifting into mixed farming to the neglect of wheat-raising, which he has found unprofitable, and as a result, the Canadian grower, with a smaller production cost, is inheriting his business with the West Indies.

"The Argentine will, of course, make a try for the trade," said Mr. Hensley, "but with her superior quality and greater opportunities for deliveries, Canada has the greater possibilities of success. If deliveries can be made regularly, there is an excellent opportunity for Canadian flour in the French Islands of Guadaloupe and Martinique, and the same I suspect to be true with regard to Haiti and San Domingo, which at present receive nearly all their merchandising supplies from New York. Some Canadian flour is no doubt now being sent to all these islands by New York exporters, but eventually the sale will be of such proportions that a good deal of it might be done direct. Haiti and San Domingo are populous places, and at present are quite prosperous, and both, of course, are large consumers of flour. For a good many years, owing to the unstable political conditions, there was danger in extending credit in both Haiti and San Domingo, but this condition is now very much improved. Any Canadian exporter wishing to do business in either place, naturally would not extend credits without consulting his banker. The Royal Bank has a branch in both of these islands."

Referring to the increased consumption of Canadian flour in the British West Indies, Mr. Hensley stated that "although it was not so very long ago when Canadian flour was unknown, it now enjoys a practical monopoly of the trade in all the Leeward and Windward Islands, Trinidad and Demerara, and almost equally the favorite in Jamaica. This is due partly to the tariff preference flour from Canada receives, and partly because of its bread-making qualities."

Despite the tariff preference enjoyed by American flour, the Canadian product is also making headway in Cuba, asserted Mr. Hensley, who added that, "What has happened in Trinidad and Barbadoes, will ultimately happen in that market also, for the days of the United States as an exporter of flour are numbered. Canada is going to add another million barrels to her West India flour export, and this within the next ten years."

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PLANT COUNCIL HAS ADJUSTED MANY MINOR DIFFERENCES

Besco Experience in Favor of Conferences to Deal With Labor Problems

USE COMMITTEE PLAN

Some Changes Made so That Loss of Time is Not Too Great and Committees More Wieldly

From Our Own Correspondent.

SYDNEY.—British Empire Steel's plant council system, handling relations between the company and employees since the memorable strike of last summer, has been found too unwieldy and is being changed. Under the original plan, there was a general committee of representatives of each department, elected by the men, and meeting twice a month and heard all complaints and prepapred recommendations.

A central committee, merely a smaller delegation from the general committee, met an equal number of company officials in what was called the joint committee, the decision of which was final.

The arrangement consumed too much time, and so the general committee has been split into four standing committees as follows: (1) rates and conditions; (2) safety, compensation and benefit; (3) personnel and central; (4) joint. Each receives complaints and suggestions coming under its jurisdiction and later discusses them with the central committee, which in turn takes them up with the company representatives in joint committee.

This procedure expedites business and prevents undue discussion and loss of time, an important point, since the sessions of these committees take place in working hours and at the company's expense.

On the whole the plant council system has worked out well since it was inaugurated last fall.. There has been prompt adjustment of thousands of minor grievances which, under the old pre-strike system, there was no method of bringing to the attention of the management and which therefore grew and festered in secret, until they finally culminated in outbreaks out of all proportion to their real importance.

Final Results May Be Better Than Expected

Protection of the equities of Standard Reliance assets is working out well for the shareholders, the latter were told at the annual meeting. Earnings are improving and through the policy of realizing upon the assets at reasonable prices as speedily as possible, but without sacrificing them, the position of the creditors has already been so improved that it was felt that the policy adopted, as compared with a forced sale through liquidation, had fully justified the recommendations made to the shareholders, and that the final results would be even greater than were at first anticipated. The shareholders approved of the policy being followed.

RECOVERY LOOKED FOR IN PAPER PRICE

Reduction in European Imports is Indicated as a Factor in the Situation

From Our Own Correspondent.

NEW YORK.—That a marked improvement in the paper market may be looked for before the close of the present year, is the opinion expressed by a local statistical agency, as the result of an exhaustive study of the market. Trade experts, this agency states, look for a rather marked improvement in the case of the wrapping papers, and that the improvement will be only less in the case of newsprint and writing papers. This despite the fact that at present many wrapping paper mills are finding it advisable to close. Kraft paper for instance is selling below the average price for any year since 1915.

One of the most hopeful signs of the situation, as this agency sees it, is the sharp slump in imports of European pulp and paper. As has been pointed out in these columns on several occasions, low-priced duty free pulp has been one of the severest handicaps of the large American manufacturer. European pulp, which has been coming into this country in sizeable quantities, has been offered here below American costs of production. But with advances in European prices to more competitive levels, imports have fallen off sharply.

Discussing the newsprint situation the survey says:

"The newsprint situation, although relatively less favorable so far as the near term outlook is concerned than that of other branches of the paper industry, is not such as to warrant undue pessimism. We question the validity of the assumption that the recent cut in prices points to a renewal of the long downward trend of prices which began in 1920. The cut comes at a time of seasonal dullness in the industry. The new contracts will generally be effective for only three months. It seems likely that the next revision will be upward rather than downward. "Generally speaking, there is a marked seasonal upward trend in newsprint prices in the Fall. In every year since 1915, with the exception of 1920, the average price of newsprint has been higher in the quarter ending Nov. 30, than it has been in the previous quarter. Current mill stocks of newsprint are not large, relative to present consumption."

Pulp and Paper Securities

RIORDON WOULD BE ASSET FOR INTERNATIONAL

Feeling That Newsprint Over-Production is Temporary

From Our Own Correspondent.

NEW YORK.—While the report emanating from Montreal that the International Paper Company was about to absorb the reorganized Riordon Company was met by a carefully worded denial by the president of the International, the feeling still persists in local trade circles, that the report is not altogether unfounded. The absorption of the Riordon properties would not be an altogether illogical move, it is believed, on the part of the International, in view of the latter's present position.

New light on what this position is at present is provided by the following statement by President Graustein, which appears in the July issue of the International Paper Monthly, the company's magazine. It reads as follows:

> We have stopped maufacturing newsprint at the Fort Edward, Glens Falls, Glen and Wilder Mills, for the time being, and plan to shut down practically all of the mills during the week of July 4th. We do this with great reluctance, and only because we have been forced to do it. We had to do it, because there are more than enough newsprint machines on the continent to produce all the newsprint which the newspapers will buy, to say nothing of the fact that there is a substantial amount of newsprint being brought in from Europe. As a result we are forced to cut down our production to what we can sell. We have been producing a little more than we were selling, but we cannot keep on doing that. We are confident, however, that we shall not be forced to any more drastic curtailment than that now contemplated.
>
> We do not know just how soon we shall be able to resume full production. We do know that the history of the business shows that more and more paper is being used, and we hope it will not be very long before we can again start these machines.

On the surface, this statement, as one student of the paper market pointed out to THE FINANCIAL POST, might be assumed to indicate that the International was hardly likely to take on any new obligations at present. But this would be a very superficial view of the situation. While it is true, in a sense, that there is overproduction in the newsprint industry at the moment, the overproduction is not large. It has come at a time when normally business in the industry is dull. There are many students of the paper market who look for a marked improvement in demand in the fall. This improvement, they believe, will affect newsprint as well as other kinds of paper.

Opinion here seems to believe that the International-Riordon report must be considered from the point of view of the more distant future. Everyone, of course, knows that the International's supply of wood in the United States is dwindling rapidly. The company has for some years been drawing more and more heavily upon Canada for its raw material. As ex-President Dodge only recently stated in the press, its future development work will have to be carried on in Canada; its future in the United States must lie in thé development of the hydro electric possibilities of the waterpowers it controls. Just after his retirement from the presidency of the International a few weeks ago, Mr. Dodge said the company would build another mill at Batiscan, half way between Three Rivers and Quebec, on the north shore of the St. Lawrence. Of course, this statement may have been an expression of personal opinion only, but in view of the fact that Mr. Dodge is now chairman of the board of directors of the International this is hardly likely. Further, the prediction that the company plans further extensions of its present plant in Canada have never been contradicted by his successor as president. Presumably the statement of the company's future policy as envisaged by Mr. Dodge meets the approval of the company's present management.

The chief problems before the new management of the International as one paper manufacturer told THE FINANCIAL POST recently hinge upon the future disposition of some of the company's high cost mills and the question of raw material. Some of the poorer pulp mills have already been closed, many in the paper trade claim permanently. Others, as President Graustein's statement indicates, have been closed for an indefinite period. While, of course, the closing of the company's pulp mills may be only a reflection of the situation which faces the pulp industry as a whole, both in Canada and the United States, and may be only temporary, there are many persons in a position to know who do not share this opinion. The International's pulp, it is said, must come to an increasing extent from Canada in the not far distant future. And this being the case, what more possible than the acquisition upon very advantageous terms of the valuable Riordon properties?

While, of course, all is still largely surmise, regarding the future of the company in Canada, to those in touch with conditions not only with the International but with the paper market as well, it appears highly probable that the election of Mr. Graustein as president, after some years of affiliation in a legal capacity with Riordon, may be more than an interesting coincidence.

HOW LAURENTIDE GOT WORKERS TO BECOME OWNERS

Offered Bonuses to Men Who Would Buy Shares to Hold

From Our Own Correspondent.

MONTREAL.—The plan under which the Laurentide Company, the big pulp and paper company at Grand Mere, Quebec, has gotten 581 of its employees to purchase stock in the company is patterened after that of the United States Steel Corp. Its chief purpose is to promote saving among the men and to teach them something about investing their savings. There are numerous other advantages. By rewarding continuous and faithful service it helps to reduce labor turnover and makes for more enthusiastic workers because they are interested workers. It is unlike many employee ownership schemes that have fallen through in the past in that definite inducements are offered to the employee to hold his stock instead of buying it for speculation and selling on a rise, and in that it was not initiated to help the company with its financing.

The Plan Briefly Described

Any Laurentide wage-earner who has been in the service of the company for a year or more may purchase stock. The stock is purchased in the open market by the company, but is sold to the employees at $5 a share less than the current market price. Thus at the very start the employee gets a bonus on his stock that makes it worth while for him to purchase it. Naturally with such advantageous terms it is essential that some limit should be placed upon the number of shares an employee may buy. Stock may be purchased under the plan by employees drawing less than $5,000 a year and the amount they can buy is determined by their place in the wage scale. However, no employee may purchase more than seven shares under this plan.

The stock is paid for in instalments, the companying crediting dividends and charging interest at 6 per cent. on unpaid balances. It is provided that no employee may pay more than one fifth of his wage on stock subscriptions. This also makes it difficult for a man to pay up his stock hurriedly in the hope of selling it to take advantage of the bonus given by the company, or of a rise on the market.

Bonuses to Make Men Hold

Further bonuses are given that provide ample inducement to the employee to regard his stock as an investment to be held. The bonus varies with the length of continuous service in the company's employ, and it is possible for an employee of long service who holds his stock to receive bonuses of such an amount as to reduce the ultimate cost of his stock to $53 a share, as compared with the $93 or so that may have been the prevailing market price at the time he purchased. This stock subscription scheme went into force on June 1 last, and it is planned to operate a somewhat similar plan in 1925 when employees will have another opportunity to become shareholders in their company.

For the benefit of industrial executives who may wish to study the plan in more detail to the end of adapting it to their own firms, some further particulars taken from the circular issued by the company to its men are given here:

"The Laurentide Company offers to those who have been in its employ for a period of one year or more, continuously, and who receive less than $5,000 annual salary, an opportunity to purchase shares of its common stock, not exceeding an aggregate total of 3,500 shares, under the following terms and conditions:

"The price at which the stock will be sold will be $5 less per share than the company pays for it, in buying it on the market. The exact price per share will be announced when the books are opened for subscriptions, but it is guaranteed not to exceed $90.00.

"The maximum number of shares for which each employee may subscribe is shown in the following table, but employees may, if they wish, subscribe for less than the maximum number:

Employees Whose Annual Salary or rate per hour is		May Subscribe for a Maximum Number of
30c. or less	$ 800 or less	1 share
31c. to 44c.	800 to $1199	2 shares
45c. to 54c.	1,200 to 1,499	3 shares
55c. to 64c.	1,500 to 1,799	4 shares
65c. to 74c.	1,800 to 2,099	5 shares
75c. to 84c.	2,100 to 2,399	6 shares
85c. and up	2,400 to 5,000	7 shares

"Books will be open for subscriptions as soon as possible after the final adoption of the plan, and will be closed on June 15th, 1923, after which date no more subscriptions will be received.

"Payment for subscriptions shall be made in installments, to be deducted from the salary or wages of the subscriber. No deduction shall be less than $1.00 per day for each share subscribed for, nor more than 20 per cent. of the subscribed's salary or wages. Deductions shall be made from each pay without interruption, except in case of illness or injury, until the subscription is wholly paid up. Interruptions of payments through sickness, injury or death shall be handled by the Administrative Committee. Each subscriber may determine the amount he wishes to have deducted from his pay, within the limits stated above. If later on he wishes to reduce this amount he may do so, provided the consent of the Administrative Committee, mentioned in the paragraph 9 below, is obtained, and provided changes in the amount to be deducted are not made oftener than once a year. After payment has been completed stock certificates will be issued in the name of the subscriber.

"Interest at 6 per cent. per annum will be charged on unpaid balances. This interest will be debited to the subscriber's account at the end of each year, and will be calculated on his average unpaid balance during that year.

"Until payment has been completed, all dividends paid on the stock will be credited to the account of the subscriber as part of his payment. After payment has been completed and stock issued to the subscriber, he will, of course, receive dividend and bonus cheques, and made out in his own name.

"Subscriptions will be cancelled at the request of the subscriber, made in writing to the Administrative Committee, or upon the subscriber's resignation or discharge from the company's service. In either case the full amount of money which has been deducted from the subscriber's wages or salary will be returned to him, with interest at 6 per cent. per annum. The interest will be deducted from the special fund mentioned below. Cancellation will not be accepted after the subscription is fully paid up and stock certificate issued to the subscriber.

"The cancellation of a subscription forfeits all accrued dividends and bonuses which the subscriber would have received if he had continued his subscription. These accrued dividends and bonuses will be transferred to a special fund to be divided among the remaining subscribers at the end of five years.

"The cancellation of a subscription, of course, releases the company from the obligation of holding the subscriber's stock for him, and also from the payment of bonuses on the said stock subsequent to the date of cancellation.

"On January 1st of each year for five years after the date of the subscription, the company will pay a bonus, in addition to the regular dividends, on each share subscribed for, provided the subscription is not cancelled, or the stock sold after payment is completed, and provided the subscriber is still in the company's employ.

"This bonus will vary according to the length of the employee's continuous service on June 1st, 1923, as follows:

Length of Continuous Service on June 1st, 1923	Amount of Bonus
Over 1 year and less than 2 years	$1.00x
Over 2 years and less than 3 years	2.00x
Over 3 years and less than 4 years	3.00x
Over 4 years and less than 5 years	4.00x
Over 5 years	5.00x

x—Per year per share for 5 years.

"At the end of five years subscribers still owning their stock, and still in the employ of the company, will receive still another bonus, through the division of bonuses forfeited by cancelled subscriptions, but with the interest allowed on cancelled subscriptions deducted, will be divided at the end of five years among the remaining subscribers, each of whom will receive an equal amount for each share held.

x—Reference to this plan was made in THE FINANCIAL POST of June 27, 1924.

This fund, containing the dividends and the special fund, mentioned in paragraph 7 above.

STRAW PULP MILL MEETS CRITICISM FROM TECHNICIANS

Where Will Its Market Be if Present Mills Overbuilt?

From Our Own Correspondent.

MONTREAL.—The new straw pulp mill in Western Canada is starting off with every encouragement from those who would like to see the further advance of industry on the prairies. The railways have given beneficial rate schedules on straw, and Winnipeg business men are planning to support the project financially. Stock is now being sold in the company, known as the Canadian Chemical Pulp and Paper Company.

In technical circles in the pulp and paper industry some warning notes are sounded to investors. The project is highly experimental, it is pointed out, not necessarily in the manufacturing stages, for it has been conclusively demonstrated that paper can be made from straw, but in the marketing end. It is pointed out that the market for high grades of paper in Canada is necessarily limited, by reason of the fact that the great United States market, open to our newsprint, is not open to better grades of paper. This will mean that the new mill will have to find its market by taking business away from mills that already have a capacity beyond the needs of the country.

Trying to Protect Investor

The statements are made in the friendliest possible spirit and merely to indicate to investors that they should not be optimistic in considering excellent profits from the new mill a foregone conclusion.

A leading chemical engineer, writing to THE FINANCIAL POST, disusses the question in critical fashion. His comments are passed on for the consideration of the reader:

"The question of whether or not pulp and paper of a satisfactory nature can be made from straw is one thing. Another thing is as to whether the raw straw can stand transportation to the mill, and whether it can when transformed into pulp, meet the requirements of a substitute for groundwood and newsprint.

"The wheat fields of Western Canada would no doubt provide straw equal to somewhere in the neighborhood of 40,000,000 tons of cellulose which is now largely wasted, with the exception of a comparatively small proportion used in making straw board.

"Straw makes an excellent fibre for book and writing papers, but the market in Canada is already overproduced, and the capacity of present Canadian book mills is too great for the present market, and is likely to be for some little while to come. The great need is for something to take the place of groundwood in newsprint, and this means very low price of transportation to the mill and very low conversion cost. In addition to that, it has not been demonstrated so far that straw can be used on machines of two hundred inches wide, running in the neighborhood of eight hundred to a thousand feet a minute. The fact that the straw can be used to manufacture a high grade of paper is not doubted, and has been thoroughly demonstrated in its use in a number of ways in Europe.

The Economics of It

"There is no indication that the gentlemen who are promoting the Canadian Chemical Pulp and Paper Co. thoroughly realize the economics of the situation. They have been apparently induced to go into this proposition on account of being shown samples of excellent paper made from straw. In all the reports which the writer has seen of this process, and of the promotion of this company, no mention has been made of any adequate machinery for making very dense portable bales of straw for transportation, or of the expensive experiment that would be necessary to find out whether the pulp so produced could be used as a substitute for groundwood in newsprint paper, and these are the two main points.

"It looks as if a lot of good dollars might be lost in this apparently short sighted venture."

THE ROYAL BANK OF CANADA

Statement to the Dominion Government (Condensed)

May 31, 1924.

MONTREAL

LIABILITIES.

Capital Paid Up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	1,085,830.67
Dividend No. 147, payable June 2, 1924	612,000.00
Notes in Circulation	30,049,288.74
Deposits	456,717,122.65
Due to other Banks	12,104,769.73
Bills Payable (Acceptances by London Branch)	4,721,487.01
Letters of Credit outstanding	20,235,209.54
	$566,325,708.34

ASSETS.

Cash on Hand and in Banks	$100,723,043.58
Deposit in the Central Gold Reserves	11,500,000.00
Government and Municipal Securities	72,919,317.07
Railway and other Bonds, Debentures and Stocks	12,006,332.69
Call Loans in Canada	16,164,162.29
Call Loans elsewhere than in Canada	50,414,471.94
	$263,727,327.57
Loans and Discounts	265,547,551.34
Liabilities of Customers under Letters of Credit as per contra	20,235,209.54
Bank Premises	13,690,097.29
Real Estate other than Bank Premises	1,708,755.50
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Deposit with Dominion Government for Security of Note Circulation	1,020,000.00
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THE PULP AND PAPER INDUSTRY

The Dominion Water Power and Reclamation Service of the Department of the Interior of Canada has recently prepared an analysis of the use of water-power in the pulp and paper industry in Canada.

The importance of this industry to the national life of Canada is well known. The capital invested in it amounts to over $380,000,000 and the exports of pulp and paper products during 1922 were valued at $123,000,000, being exceeded in value only by the group of agricultural products. As cheap power is an essential factor in this industry, it is not surprising that ninety per cent. of the power used for that purpose in Canada is derived from water falls.

The Bulletin gives a general discussion on the present use of power in the pulp and paper industry, construction activities, and future power requirements, with tables showing the mills now being operated by water-power arranged by provinces with details of their power installations, and other tabular information.

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MINING NEWS FOR THE INVESTOR

SHARES OF LARGE PRODUCERS SUFFER DECLINE IN PRICE

Mining Corp., Dome and McIntyre Low — T.O.B. Below Listing Price

The larger producers among the gold and silvers have this week joined the penny shares in the downward movement. Mining Corporation, McIntyre and Dome showed considerable weakness while Hollinger was strong. This latter is doubtless due to the power deal now in process of negotiation and which means so much to Hollinger shareholders in the way of an immediate increase in dividends if successfully consummated. There are rumors that the deal has been closed, but THE FINANCIAL POST is assured that this is not a fact. Mining Corporation, which has been weak since the annual meeting, which was followed by a marked display of disappointment over the fact that no dividend was declared, is selling down to 255, the lowest point since the stock passed this mark in its rapid rise last October. Tough-Oakes-Burnside has sold down to 57½, which is a half point below the opening trade in this stock and the lowest point at which it has ever sold. The outlook at the property was never better, reports from the north state. Dome's weakness, in which it broke from a recent rally point of $18.05 to $16.95, is unexplained.

Newray and Goldale, two of the three interests in the recent Porcupine merger, continue to show weakness. Newray is now down to 21½ and Goldale 24. These prices ruled on the announcement that the shareholders of both companies were favorable to the merger. Coniagas, which is to operate the properties, is weak at 155. Coniagas has the Newray shaft down to 1,000-ft. It is understood that some lateral work will be done but it is generally anticipated that the company will go a good deal lower, even if the 1,000-ft. level results are disappointing. Little or no change has taken place in the position of other shares.

BINGO PREPARING PLANS FOR MILL

Will be Ready by May and Handle Hundred Tons

Jos. D. Myers, managing director of Bingo Mines, has just completed an examination of the work done during his absence in England. Everything was most satisfactory. An official statement of progress made follows:

At the moment nearly 2,100 feet of drifting has been completed, on the four levels, not taking into consideration the cross-cuts, and the expectation is that by the end of July development work will be completed to the extent of having enough ore blocked out to keep a hundred-ton mill running for nearly three years. Latest values taken across the full width of the drift (five feet) are most satisfactory and consistent with those previously received.

The Bingo Co. is now planning the erection of a milling plant, and as soon as the plans are completed, construction will be started and should be completed by May next year.

KEORA SHAREHOLDERS TOLD OF EXPANSION

President Describes New Properties Recently Acquired in South Lorrain

Pres. W. B. Gunton, Keora Mines, has just sent a letter to shareholders describing the three groups of properties, 400 acres, which have just been acquired. They all look good, but the 240-acre block in the north part of Lorrain looks to stand out. Since the letter was sent out another vein, a 5-ft. calcite, has been opened up in an entirely new section. The letter states:

Group 1 comprises 80 acres, located on the south-eastern slope of the diabase sill, and is separated on the north by one claim from the Mining Corporation holdings in that section, and adjoined on the south by the Lakeside Lorrain. The work so far done has uncovered three unusually large calcite veins, well mineralized, and pronounced by expert advice as promising.

Group 2 comprises 80 acres, also on the south-eastern slope of the diabase sill, and lies to the south-west of No. 1 group. Property owned by the Mining Corporation adjoins this group on the north and also on the south, and adjoining on the south-west is the property of the Clifton Consolidated. Work has revealed on this group what is probably the best-looking vein on the entire eastern slope of the diabase sill, and it traverses the entire length of the property in an east and west direction. This property will shortly be undergoing active development.

Group 3 is owned by the South Keora Mines and consists of six claims in a compact group, totalling 240 acres, lying to the north-west of the Keeley mine. This group is now undergoing active development. A diabase ridge, literally full of veins, traverses this ground in a north and south direction for a distance of three-quarters of a mile, the veins breaking to a contact which extends the entire length of the group parallel to the diabase ridge. Up to date ten veins heavy in cobalt, bloom, calcite, nicolite and smaltite, have been exposed. Only a part of one of the group has been explored.

In Porcupine, no work is being done at present. Certain negotiations are under way with English interests in connection with the supplying of the necessary funds for the purpose of developing these properties on a large scale.

NORTHERN MANITOBA ACTIVE

Prospectors Association Plans to Pool Information Regarding Vast Section

WINNIPEG.—At The Pas the Northern Manitoba Prospectors' Association has been formed. Arrangements have been made for the pooling of certain information regarding The Pas district.

V. B. Lyle, engineer, representing the Mining Corporation of Canada, with a group of men, will make an inspection of copper properties at Thompson Lake.

Hart Green, Winnipeg lawyer, and John Lee, Winnipeg, have taken an option on a find at Sourdough Bay, and it is said than the final price, if option is exercised, will run into six figures.

Harry James, late manager of the South Gevalior gold mines, passed through this city from London, Eng., and will inspect claims and properties at Herb Lake. A group, consisting of Dr. Swartout, Dr. Stewart, R. B. Stewart, John Nutt and F. R. Smyth, Saskatoon, are at the Wekusko gold mines and will also visit the Saskatoon Gold Reef at Herb Lake.

RUSSIA AND JAPAN BUYERS OF SILVER

Former Wants it for Coinage While Better Trade Influences Jap

Silver prices have recently reacted slightly. The failure of the Pittman measure in the U. S. and the closing of a large Chinese bank are reported to have scared some holders. Russia and Japan are still heavy buyers. Shanghai speculators make the China situation interesting. Stocks are down as a result of their buying. Bullion dealers hold the view that improved business conditions in Mongolia and other countries bordering upon Northern China has created a pronounced demand for silver in Russia, China and Japan.

Consumption against new coinage requirements, outside of Russia, is probably negligible. Germany, according to reports, may proceed to coin 300,000,000 marks, silver, against its first coinage of a similar amount. The first allotment was secured through its own silver holdings. Banks of Spain, Holland and Belgium increased their silver reserves to the extent of about $500,000.

It is certain that the Pittman proposal for the U. S. treasury to purchase the uncompleted amount of $1 silver will be revived when Congress re-adjourns.

DEAL FOR WESTREE MINES SIGNED UP

If Carried Through, Old Shareholders Get One New for Two Old Shares

The deal involving the optioning of Westree Gold Mines to Backus-Miller interests, has been concluded. Operations at Shining Tree start at once. The new interests agree to spend $50,000 on testing out the property. At the end of that time, if they desire to go on, they must spend $200,000 more. A new company will be formed, capital $5,000,000 and the old company will get 2,000,000 shares. There are 3,800,000 shares of Westree out now and more may be issued before the new company is formed. It looks as if the old shareholders will get one new for two old. This places a value on the new shares, at the present market price of the old of 9 cents, while the new concern gets 3,000,000 shares for $250,000, or a little better than 8 cents. They take the risk. The old shareholders always have some equity behind their shares.

VERTICAL COAL BODY

Corbin Coals, Ltd., a B. C. operation, which not long ago cut a huge vertical coal lenze, has developed the property to the point of shipping. So far the lenze is proved to 300-ft. with every evidence that it continues for at least several hundred feet deeper. The seam has been traced over the mountain side very plainly for about a mile and there are indications that this distance will be considerably exceeded.

ENCOURAGES CLIFTON

Success on Trout Lake Lorrain is providing additional encouragement on Clifton Consolidated, where work on an aggressive scale has commenced. The geological structure is almost identical with Trout Lake Lorrain. A contact occurs in which diabase formation underlying keewatin rock is dipping down through the Clifton and the underground work will be conducted under similar conditions as on the producing mining, including Keeley and Mining Corporation.

NINE-FOOT COAL SEAM

SYDNEY.—A nine-foot seam of lignite coal has been reported by field testers of the Dominion Coal Company, drilling on an area owned by that concern at Terra Nova, Loch Lomond, about 25 miles from Sydney.

PREMIER PAYS DIVIDEND

Another $400,000 in dividends is being distributed by the Premier Gold Mining Co. this week. This will bring the total amount this British Columbia mine has paid in dividends up to $5,800,000.

PENSION OLD N.S. MINERS

SYDNEY.—British Empire Steel will pension about 20 old employees thrown out of work by the closing Jubilee colliery at Sydney Mines. They have records of from 20 to 60 years' service in the mines.

SHAFT CUTS FOUR VEINS

Skead Gold Mines shaft is down 100 feet and in sinking this far four veins have been crossed, each showing good width and giving good values.

ARGONAUT SPENDING $75,000 ON ITS MILL

Needs to Convert Amalgam to Cyanide Process—200 Tons a Day Then Promised

From Our Own Correspondent.

MONTREAL.—Argonaut Gold is going to spend about $75,000 rounding out its mill. The mill was originally erected to treat ore of a high copper content for in the early stages of production ore from Argonaut showed about 5 per cent. copper. This necessitated use of the expensive amalgam process of extraction. Ore from lower levels in the mine is not showing such a high proportion of copper and extraction by the familiar cyanide process used in the other gold mills can be carried out. But this will necessitate erection of new crushing machinery and two tanks. On completion of the work planned the mill will be able to treat about 225 tons of ore a day, according to J. H. Rainville, the president. At the present time only about 90 tons are handled.

Argonaut has issued all of its capital stock and at the annual meeting last week the shareholders discussed various ways and means of raising new capital. It is understood, however, that the money for the present extensions will be advanced by directors and no word of any re-organization has been given.

At the annual meeting the president indicated that about 2,000,000 shares of stock had been pooled. He asked the shareholders to join the pool and commented unfavorably upon the stock market speculation that had taken place in the shares. Mr. Rainville was enthusiastic concerning the possibilities for the property that had been acquired in Northern Quebec. The price paid was 50,000 shares of stock and $5,000 in cash, which he considered reasonable.

The company's financial statement indicated that about $92,000 of ore had been produced. Expenditures totalled $112,000 and there was a net operating loss, including cost of development work, of $19,348.

This year it is understood about $150,000 of ore has been produced to date with the prospects of increased production during the remaining half of the year.

SEEKS CAPITAL IN ENGLAND

SYDNEY.—Malcolm Blue, of Acadia group of Besco collieries, Pictou county, has been offered the post of general superintendent of Atlantic Coast Collieries, Ltd., in developing Mabou field, in Inverness. A. J. Tonge, former general superintendent of the Dominion Coal Company, is now in England recruiting capital and machinery for the new enterprise.

SILVER AND OTHER METALS

	June 28	June 30	July 2	July 3
Silver:—				
London (D)	34⅜	34¼	34¼	34⅜
New York	66⅛	65¾	65¾	66⅛
Copper	12½	—	12½	12½
Lead	7.00	—	7.00	7.00
Zinc	5.75	—	5.80	5.82

MONTHLY PRICES

	Copper	Silver	Lead	Zinc
June	14.38	65.34	7.28	6.40
July	14.59	63.52	6.88	6.44
Aug.	14.05	63.28	6.64	6.70
Sept.	13.60	64.71	6.88	6.81
Oct.	12.81	64.15	6.98	6.65
Nov.	12.89	64.32	6.97	6.71
Dec.	12.98	65.21	7.65	6.60
Jan.	12.59	63.04	8.43	6.77
Feb.	12.85	64.86	9.21	7.11
Mar.	13.65	64.46	9.33	6.84
April	13.35	64.64	8.20	6.48
May	12.93	66.02	7.31	6.13
Yearly Averages				
1923	14.61	65.38	7.48	7.01
1922	13.56	68.38	5.71	5.09
1921	12.65	63.07	4.55	5.15
1920	17.50	110.0	8.08	8.1
1919	13.7	111.1	6.6	7.8
1918	24.6	96.8	7.4	7.9
1917	27.2	81.4	8.8	8.8
1916	27.2	65.7	6.9	13.6
1915	17.3	49.7	4.6	13.2
1914	13.6	54.3	3.9	5.3

Mining Stock Quotations

Week Ending June 30.

	High	Low	Close June 30	Close June 24
Apex	3¼	3⅛	3¼	3¼
Argonaut	48	45	48	47
Atlas	4⅜	4	4¼	4
Baldwin	3	3	3	3
Beatty	4¼	4¼	4¼	4¼
Beaver	16½	15¼	15¼	16¼
Bidgood	7¼	7	7¼	7½
Buckingham	3	3	3	2¾
Can. Lorrain	60	55	60	59½
Capitol	35	34	34	34
Castle Tre.	64	61	64	64¼
Clifton Cons.	15½	15	15¼	15⅝
Coniagas	1.60	1.55	1.55	1.75
Cons. Smelt.	39	37¼	38¼	38¼
Cons. W. D.	21½	20	20¼	22
Crown Res.	53	51	52	53½
Dome Mines	17.75	17.15	17.30	17.80
Everett	3½	3½	3½	3½
Gold Reef	1½	1¼	1½	1¾
Goldale	25	23	23	25
Hattie	7¾	6⅛	7¾	6¾
Hollinger	13.25	12.95	13.10	13.00
Hunton	9	8¾	9	9¼
Inspiration	10	10	10	9½
Indian	16	15	15	17
Keora	12½	11½	11½	12¼
Keeley	2.25	2.20	2.25	2.28
Kirk. Lake	18¼	17½	17½	18½
Lakeside	19½	18½	19	19½
La Rose	9	8¾	9	9
Lake Shore	3.69	3.66	3.67	3.68
Lorrain, T. L.	1.38	1.35	1.38	1.38
Lorrain	23¼	20½	21	23
McIntyre	16.20	15.95	16.10	16.00
McKinley	10	10	10	10
Mining Corp.	2.71	2.65	2.69	2.71
Moneta	19	18¼	19	18¾
Montreal, Ont.	6¾	6¾	6¾	7
Newray	23¾	22	23¾	23½
Nipissing	6.25	6.10	6.10	6.15
Night Hawk	49	45	45	50
Ophir	2¾	2½	2½	3
Preston, E. D.	11⅝	11⅛	11⅝	11⅝
Porc. Cr.	6½	6½	6½	6½
Pete. Lake	8⅝	8¼	8⅝	8¾
Rouyn	25	15	25	17
Teck Hughes	1.10	1.10	1.10	1.10
Thomp. Krist	2¼	2	2	2
Tough Oakes	61	58	58½	60½
Skead	30	27	30	30
Vickers	11	11	11	9¾
Vipond Cons.	1.04	1.01	1.02	1.05
West Tree	5¼	4½	4¾	5¼
Wettlaufer	27½	26	27	27
Wright Har.	3.40	3.35	3.35	3.35
NEW YORK PRICES				
Int. Nickel, com.	15½	14½	15	14⅝
OIL COMPANIES				
B. A. Oil	32½	32	32½	32
Imperial	100½	100½	100½	103
Inter. Pet.	17⅞	17⅞	17⅞	18¼
Mutual	10	10	10	10
North Star—pref.	3.55	3.55	3.55	3.60

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Ample Power for Ontario Mines

Ontario ranks first among the provinces in diversity and value of mineral production, and being, like Quebec, situated in the acute fuel area, depends almost entirely on the abundant supplies of hydraulic and hydro-electric energy which are, fortunately, available to every field.

The major hydraulic developments for mining are, of course, located in the gold, silver and nickel areas of Northern Ontario where over 107,000 h.p. are installed for this purpose, while several large additional installations are under construction or in active prospect. Much of this new equipment will be in operation before the end of the present year and is expected to terminate the power shortage which has hampered production in the past.

While much power for mining in Ontario has been generated and distributed by central station organizations, the mining companies have also developed large amounts of power for their own use.

The outstanding central electric station companies operating in the mining fields are the Northern Ontario Light and Power Company with 20,420 h.p. installed in four hydro-electric stations and 5,500 h.p. in a hydro-compressed air station in the Cobalt district and the Northern Canada Power Company operating two stations with a combined installation of 19,800 h.p. on the Mattagami river near Timmins. A subsidiary of the latter company, the Lower Sturgeon Power Company, has completed a 4,000 h.p. station on the Mattagami river in the Timmins district, while the parent company has a 20,000 h.p. station under construction on the Quinze river in western Quebec and has completed a transmission line therefrom to connect with their Northern Ontario lines.

The Great Northern Power Company completed a 4,000 h.p. station in 1923 on the Montreal river to serve this field and there are also a number of smaller stations distributing power there.

Further south in the nickel-copper area, the Wahnapitae Power Company have two stations on the Wanapitei river with a combined installation of 9,600 h.p. from which over 95 per cent. of the output is sold for mining purposes. In the southern portions of the province production is limited to non-metallics and structural materials and here the demand is met by the extensive transmission systems of the Ontario Hydro-Electric Power Commission of Ontario.

Many of the mining companies have established hydraulic power stations and generate power to meet their own requirements. Chief among these are the International Nickel Company with 21,300 h.p. installed in two stations on the Spanish River; the Mond Nickel Company (Lorne Power Co.) with 9,600 h.p., 4,800 h.p. at Nairn Falls on the Spanish and 4,800 h.p. on the Vermilion river. This company intend adding 2,750 h.p. to the Nairn Falls plant during the present season.

The Hollinger Consolidated Gold Mines Ltd., are constructing a 24,000 h.p. plant on the Abitibi river to overcome a shortage of power which has, at times, considerably hampered their operations, and expect to commence development before the end of the present year.

Tonnage Available for Running to Dome Mill

Development on Consolidated West Dome Lake has not disclosed any change in the size of the vein as compared with the upper levels. Drifting so far done has shown that if stoping is to be carried on successfully they will have to be particularly narrow in order to prevent dilution. The gold content of the vein is of a good commercial grade in such shoots as have been found, provided no difficulties occur in mining the ore without including rock from the walls. Indications are favorable for being able to secure sufficient tonnage on which to operate the mill at 60 or 70 tons daily capacity.

DEPARTURE FROM FORWARD BUYING AFFECTS BUSINESS

(Continued from page 1)

practices are becoming still more intense and general. The competition of certain European countries where wage scales are lower, notably Germany and Sweden, is a serious matter, but the attempt to meet this and domestic competition is still more serious. The underhand methods of certain members of the trades are undermining the influence of the trade associations. As a result of their cancellation of agreements, giving secret rebates and so on, the price-fixing association are no longer able to function. They exist in name only. Although all this probably places the retailer in a more satisfactory strategic position, it demoralizes business and reacts very badly on the trades themselves, and in the end benefits no one.

NEWS OF THE BANKS AND BANKING

MANAGER TELLS OF SERVICE TO CATTLE RAISERS

One Method of Getting Appreciation for the Banks

While it is largely the responsibility of the Canadian Bankers' Association and head office officials to deal with questions of policy, the relations of the banks and the people are largely in the hands of the branch bank managers who come in personal touch with the public. Managers can do a great deal in the way of creating a better understanding of bank service and financial problems. A. J. Reynolds, manager of the Bank of Commerce at Prince Albert, has been setting an example in this connection which might well be followed by other branch men—and higher ups as well. One of a number of recent public addresses was delivered at the twelfth annual convention of the Saskatchewan Stock Growers' Asociation at Maple Creek, and the Regina Leader comments that "if one could judge by the questions which followed his address, the cattlemen have very little complaint as to the attitude of the financial institution in connection with financing, and Mr. Reynolds clearly demonstrated the desire of the banks to play their part in the promotion of one of the basic industries of the province." Following is the newspaper's report of the address.—J. W. T.

Mr. Reynolds first dealt with the history of finance from the early days and, touching on modern conditions, suggested that the world was suffering from a post-war headache. "We are all paying for the war probably more than we did during war days. During the war production could not keep pace with the demand and values pyramided. When the war ceased the men returned to production and it reached such a stage that there was a surplus.

"It is a physical fact that when a thing becomes plentiful it no longer holds high value. In the last three years deflation has taken place and we are trying to pay back three dollars with one and the situation has come to the stage where we must overcome in some way the problem facing us."

Mr. Reynolds referred to the functions of the banks of Canada, setting out that its first duty was to the depositor not the borrower. The speaker also referred to the different classes of charges made against banks at the present time. At one time they did not lend enough money, now they were charged with having lent too much. They were accused of not erecting sufficiently substantial buildings. Now they are charged with having all their money tied up in offices. At one time they were charged with not having sufficient branches but now the charge is that there are too many.

Despite such instances as the Home Bank failure, which Mr. Reynolds characterized as an example of the "miserable disgusting frailty of human nature," he was of opinion that the banking system of Canada was second to none, and with the new methods of government supervision and inspection such things as the Home Bank failure were not likely to occur.

Referring particularly to the question of banks and stockmen the speaker pointed out there were two classes of livestock credits, first for hogs, sheep and feeder cattle, and second for breeder cattle. In connection with both these classes the banking institutions of the Dominion had performed wonderful service and he was of opinion that no great criticism could be offered in this regard.

Exchange

The recession of the French and Belgian francs continues to be the feature of the foreign exchange markets. Apart from the prolonged downward movement which has been evident for some time, the current decline of 9 points is attributed by dealers to the heavy purchase of American securities as well as to the accumulation of dollars to cover foreign obligations.

The recovery of the Canadian dollar has continued during the week as a consequence undoubtedly of further buying of Canadian exchange by United States interests with a view to investment in Canadian securities. Expected Canadian financing in New York may also still be a factor.

NEW YORK FUNDS

			Last Year	
	High	Low	High	Low
June 26	1 9-32	1 3-16	2 15-32	2 3-8
June 27	1 3-16	1 3-32	2 1-2	2 15-32
June 28	1 3-32	1 3-32	2 33-64	2 15-32
June 30	1 1-8	15-16	2 7-16	2 13-32
July 1	——	——	——	——
July 2	1 1-8	1 1-32	2 17-32	2 15-32

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
June 26	4.33¼	5.31½	4.32¾
June 27	4.32	5.29	4.33¼
June 28	4.32¼	5.29	4.32
June 30	4.32	5.27½	4.31¼
July 1	4.32¾	5.14	4.30¼
July 2	4.32¾	5.18½	4.30¾

DOMINION NOTE CIRCULATION

OTTAWA.—Dominion notes in circulation decreased during May by about twelve and a half million dollars, while the holdings of gold were practically unchanged. Notes in circulation were $216,904,539 at the end of May, compared with $229,402,435 at the end of April. Gold held on May 31 was $96,986,774, against $96,996,664. Percentage of gold to notes was 44.6 on May 31, and 42.3 on April 30. Approved securities held in addition to notes totalled $82,700,000 on May 31, and $95,200,000 against April 30.

Return to Gold Standard Would Save Millions

Requests for the return of the gold standard in Canada are coming more frequently. It is argued that such a move would bring the Canadian dollar within a fraction of one per cent. of par. Had that been done last year the saving to Canadian consumers would have been $17,580,000. This loss is figured on imports and does not take into consideration probably another $1,300,000 paid in interest on various bond issues held in the U. S. or Great Britain and which are payable in U. S. funds.

MANAGER DOES STREET BANKING IN FAR NORTH

Doing Favors For Indians and Trappers a Daily Routine

Lack of convention has always been a feature of newly developing sections in the north. The free and easy fellow, no matter his line, is the one that gets along the best. To those who have kept pretty well to the city it is rather difficult to picture a bank manager as fitting into such a picture, yet there are many of them who do. During a visit to a new far northerly point, recently, a member of THE POST staff encountered a manager who was up against an even different proposition. He really does the greater portion of his banking on the street.

It was rather an interesting experience to walk along the street with him. He knew the Indians, the trappers and the prospectors by their first names. He kept track of their activities and was constantly being called aside to discuss their problems. One learned from casual remarks a few of the underlying facts behind his popularity—i.e., service and consideration.

In this section communication up country is difficult and irregular. However, this manager keeps fairly good track of lumber gangs, trappers and others, and when he learns of anyone going in near them, collects their mail and sends it in to them. Incidentally he is being constantly called upon by trappers to buy them goods and send them along. This service is small, but it means much to the trappers and not a little to the bank. The fur catch in this section yearly totals over $2.000,000 and this bank gets the lion's share of the business.

The idea that there is a lot of side and dignity about banking is dispelled in the new communities, and these communities are not very old before a bank is established to give service to the pioneers.—D. E. C.

EXCHANGE RATE ON FREIGHT

Ottawa.—The rate of exchange in connection with shipments of freight between points in Canada and the United States from July 1 to 14, inclusive, is 15-16 of one per cent., and the surcharge one-half of one per cent.

MORAL CLAIM OF THE DEPOSITORS IS SUPPORTED

Realization on Assets Will be 30 to 35 Per Cent.

From Our Own Correspondent.

OTTAWA.—The Home Bank depositors have won the first skirmish in the fight for reimbursement for losses through the failure of the Home Bank, the banking and commerce committee of the House of Commons having reported that while they had no legal claim against the country still they had a "moral claim in equity for compensation." If the Government came through to the full extent of the probable loss to the depositors this would probably mean $9,500,000. But the depositors' organization say they will be satisfied with settlement of 85 cents, which would cut off considerable.

By a majority of 77, Parliament refused concurrence in a report presented by the standing committee on Banking and Commerce, recommending that the latter body be permitted to inquire into the matter of the applicability to Canada of the Central Bank or Federal Reserve principle.

G. T. Clarkson, the liquidator, is of the opinion that a reasonable settlement of the estate should enable the payment of another 10 per cent. dividend to be made. On the other hand, if those depositors who are suing for the return of deposits made shortly before suspension should succeed, and if those who are fighting the double liability should succeed also, he does not think that more than an additional 5 per cent. will be paid. He thinks that between $300,000 and $400,000 may be recovered yet through the double liability. Apparently he does not think highly of the prospects of the suits against the directors, being of the opinion that from $250,000 to $300,000 is the outside limit for collections on this score.

The report of the committee is as follows:

Your committee have sat from time to time, and have studied the interim report on the Home Bank submitted by Chief Justice McKeown and the evidence therein referred to.

Your committee consider that the facts therein brought out and the evidence therein referred to clearly establish that the depositors of the Home Bank have no claim under the law of the land for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

But your committee are also of the opinion that, in view of the representations made to the department of finance in the years 1916 and 1918, the government of the time could have made in 1916 and in 1918 an effective audit under section 56-A of the Bank Act, and if such an effective audit or thorough investigation into the bank's affairs had been made it would have resulted:

1. In the immediate liquidation of the bank, or
2. Its amalgamation with another bank, and that the effect would have been, no loss to the depositors in 1916 or 1918.

Your committee have studied the evidence given before the royal commission by Sir Thomas White, who was then minister of finance, and particularly his statements: "I would never think of putting in a special auditor in a bank and taking chances, especially at a time like that, of closing the bank," (page 345); and further: "Under no circumstances would I have allowed a bank to fail during the period in question. I had many difficult and dangerous financial situations to deal with during the war. At its outbreak, in view of the panic which prevailed, the government, at my instance, placed itself behind the banks of Canada and gave public assurance that it would loan them such sums as they might require to meet the conditions of the war, and would take all further steps necessary to safeguard the financial situation during its continuance" (page 359); and further: "The action I took was in my discretion; in exercising his discretion, a minister must have regards to conditions, because conditions have a direct bearing upon the consequences attendant on his action to the bank and the general situation. If you make a mistake in putting in an auditor, in peace time the consequences may be a run producing little effect upon the bank; if in war time, you may bring down the bank, and, in addition, you may cause an unspeakable calamity to the country" (page 743).

Your committee is not called upon to question the manner in which Sir Thomas White made use of the powers given to him, or whether he exercised his discretion correctly or otherwise.

Your committee consider that the facts brought out in the interim report submitted by Chief Justice McKeown, and the evidence therein referred to, establish that the depositors of the Home Bank have a moral claim in equity for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

DOMINION

The Dominion Bank announces the following staff appointments: W. O. Archdekin has been appointed acting manager at New Toronto branch, and is replaced as accountant at Spadina and College branch, Toronto, by T. C. Glenn, formerly accountant at Dovercourt and Bloor branch, Toronto. W. W. Creswick has been appointed accountant at Queen and Ossington branch, Toronto, replacing N. R. Matthew who has been appointed accountant at Hamilton. P. M. Wass, formerly acting accountant, has been appointed accountant at Edmonton branch.

NEW POLISH CURRENCY

In accordance with the decree of the president of the Republic of Poland of April 14, 1924, published in the Journal of Statutes, No. 34, paragraph 360, the Polish mark will cease to be legal tender beginning from July 1st, 1924.

The relation of the Polish mark to the zloty, new monetary unit of the Republic of Poland, is fixed by law at 1,809,000 Polish marks=1 zloty.

The exchange will commence on June 1st, 1924, and terminate on May 31, 1925. The exchange for zloty of Polish mark banknotes sent or brought from abroad will take place at the paying teller's window of the Bank Polski in Warsaw.

Further Amendments to the Bank Act Proposed

OTTAWA.—The following are some of the further notices of motion of amendments to the Bank Act now before the House banking and commerce committee:

By J. T. Shaw: To amend section 36 of the Act by adding thereto sub-section 4 reading as follows:

"Every contract for the sale of shares in the capital stock of the bank is a contract based on the utmost good faith and requiring a full disclosure of every known material circumstance; if the utmost good faith is not observed or if there is not a full disclosure of every known material fact, the contract may be voided by the party injured."

By J. T. Shaw: That section 125 of the Bank Act is hereby repealed and the following is substituted therefor:

125. In the event of the property and assets of the bank being insufficient to pay its debts and liabilities, or in the event that the paid up capital of the bank has been impaired by losses, or by the payment of dividends or the payment of bonus or otherwise, each shareholder of the bank shall be liable for such deficiency or for such impairment to an amount equal to the par value of the shares held by him in addition to any amount not paid up on such shares.

(2) "Shareholders," within the meaning of this section, shall include an undisclosed principal, and to the extent of his interest, a cestui que trust, on whose behalf or for whose benefit shares in the capital stock of the bank are held.

(3) Subject to the sub-sections last preceding, if the inspector at any time by inspection or otherwise ascertains that the paid-up capital of a bank has become impaired by losses or by the payment of dividends, or by the payment of bonus, or otherwise, he shall forthwith, upon receiving the approval of the minister, or by a direction in writing to the general manager, order such bank to restore the amount of such impairment in the paid-up capital by making a call upon the shareholders pro rata to the amount of capital held by each; if such bank neglects within four months after the receipt of such notice to comply with the order of the inspector, the minister may exercise the powers conferred upon him by sub-section 10 of section 56-A of this Act; provided, however, that if all the subscribed stock has been fully paid up, the directors of the bank shall, subject to the provisions of this Act, have, possess and exercise the same powers with respect to the making of calls on shares and the recovery and enforcement of such calls, whether by suit, forfeiture, sale or otherwise, as they now have, possess and exercise under this Act for the making, recovery and enforcement of calls on unpaid stock."

By Mr. Garland (Bow River):

That sub-section (f) of section 76 of the Bank Act be amended by striking out all the words after the word "be" in the fifth line thereof and substituting therefor the following: "without the unanimous approval of the directors present at a regular meeting of the board or meeting specially called for such purpose, provided that the notice calling any such regular or special meeting shall set out specifically such afore-mentioned purpose."

By Mr. Garland (Bow River):

That section 76 of the Bank Act be amended by adding thereto sub-section (g) to sub-section 2 of said section, as follows:

No bank shall accept deposits payable after notice to a total amount in excess of six times the paid-up capital of the bank providing this clause shall become operative October 1, 1925.

By Mr. Coote:

"That section 13 of the Bank Act be amended by striking out the words 'five hundred' in the first line thereof: and substituting therefor the word 'fifty.' And by striking out the words 'two hundred and fifty' in the eighth line thereof and substituting therefor the words 'twenty-five.'

"That section 10 of the Bank Act be amended by striking out the words 'five hundred thousand' in the second line thereof and substituting therefor the words 'fifty thousand.'"

By Mr. Spencer:

"That the following words be added to sub-section 6, section 54:

"'The profit and loss account shall include and show on the one part the amount of

"'(a) Balance of profit and loss account carried forward from previous year;

"'(b) Rebate on interest on unmatured bills as at close of previous year;

"'(c) Gross profits, including balances of all interest, commission, exchange and other revenue-producing accounts:

"'(d) Premium on new stock sold;

"'(e) Bad debts recovered, previously written off, and the statement shall include and show on the other part:

"'(a) Expenses of management and operation to be itemized;

"'(b) Interest paid on deposits;

"'(c) Amount written off bank premises;

"'(e) Amount transferred to appropriation account for losses;

"'(f) Amount transferred to officers' pension fund;

"'(g) Sundry appropriations or disbursements not included under foregoing heads, and to be shown in detail:

"'(h) Dividends declared (specifying number and date);

"'(i) Amount transferred to rest account;

"'(j) Balance at profit and loss account.'"

MORE ACTIVITY IN BANK FUNDS

Increase in Debits During May Was More Than Seasonal Movement.

OTTAWA.—Bank debits or amounts charged to individual accounts at the clearing house centres of Canada, as reported to the Dominion Bureau of Statistics, show the satisfactory gain of about 13.2 per cent. over the preceding month. The greater part of the increase was seasonal in character, but when adjustment is made to eliminate the seasonal tendency a substantial advance is still apparent. The aggregate for May was $2,290,000,000 as compared with $2,023,000,000 in the preceding month.

CLEARING HOUSES DEBITS TO INDIVIDUAL ACCOUNTS:

	April	May
Maritime Provinces—		
Halifax	$23,091,506	$18,623,025
Moncton	6,022,977	6,434,097
St. John	22,773,248	25,450,744
Total, Maritime Prov.	51,887,731	50,507,866
Quebec—		
Montreal	589,583,636	599,538,305
Quebec	44,218,925	41,737,580
Sherbrooke	7,807,086	8,856,503
Total	641,609,647	650,132,388
Ontario—		
Brantford	6,410,023	7,671,688
Chatham	......	6,326,726
Fort William	5,903,744	7,789,662
Hamilton	46,675,615	48,308,258
Kingston	4,834,850	4,996,893
Kitchener	8,563,243	8,173,250
London	23,307,102	25,179,040
Ottawa	121,317,073	200,989,833
Peterborough	5,470,087	6,016,257
Toronto	541,344,028	580,093,996
Windsor	22,954,119	24,568,888
Total	787,279,884	920,114,491
Prairie Provinces—		
Brandon	3,543,822	3,982,907
Calgary	50,161,869	61,050,041
Edmonton	26,403,545	39,619,423
Lethbridge	3,466,891	3,839,675
Medicine Hat	4,885,377	3,526,645
Moose Jaw	6,950,461	7,437,253
Prince Albert	1,952,249	2,128,005
Regina	21,671,648	28,433,872
Saskatoon	8,658,383	8,865,668
Winnipeg	275,505,563	378,135,654
Branches of the Weyburn Security Bank	1,206,299	1,202,407
Total	404,406,107	528,221,533
British Columbia—		
N'w W'stminst'r	4,750,053	5,276,281
Vancouver	112,834,611	116,282,157
Victoria	19,844,878	19,575,096
Total	137,429,442	141,133,534
GRAND TOTAL	2,022,612,811	2,290,109,812

Weekly Bank Clearings

(In comparison with same week last year.)

EASTERN CITIES

	June 28, 1923	June 26, 1924
Halifax	$ 3,382,502	$ 2,539,272
St. John	2,700,973	2,233,899
Moncton	1,120,747	794,892
Sherbrooke ...	830,540	1,598,407
Quebec	4,532,636	4,700,832
Montreal	95,889,292	90,971,844
Ottawa	6,616,780	6,660,522
Kingston	661,778	575,565
Peterboro'	810,829	660,227
Toronto	85,513,405	77,907,680
Hamilton	5,499,630	4,715,352
Brantford	956,883	703,304
London	2,576,534	2,632,406
Kitchener	914,735	776,735
Windsor	4,033,894	2,866,035
Totals, east	$216,041,156	$200,337,969

WESTERN CITIES

	June 28, 1923	June 26, 1924
Ft. William ..	$ 834,490	$ 709,597
Winnipeg	41,337,512	52,712,304
Brandon	457,661	450,708
Regina	2,929,096	2,771,035
Saskatoon	1,267,402	1,381,565
Moose Jaw ...	970,471	978,809
Prince Albert .	269,040	258,556
Lethbridge ...	359,531	409,706
Calgary	6,342,034	6,832,160
Edmonton	3,417,100	4,028,131
Medicine Hat .	293,356	284,576
N. Westminster	616,606	531,128
Vancouver	14,040,679	16,561,363
Victoria	1,837,483	1,759,142
Total, west .	$ 73,972,361	$ 89,668,780

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	June 1923	June 1924
Halifax	$13,316,546	$11,456 559
St. John	11,142,083	10,774,393
Moncton	4,312,466	3,192,087
Sherbrooke	3,336,727	4,341,845
Quebec	26,888,537	22,579,349
Montreal	460,202,944	395,298,102
Ottawa	33,070,814	28,445,553
Kingston	3,101,733	2,960,064
Peterboro'	3,296,027	3,208,453
Toronto	409,550,970	371,087,843
Hamilton	25,277,120	20,788,788
Brantford	4,441,297	3,748,804
London	14,921,704	12,927,355
Kitchener	4,711,149	3,972,664
Windsor	19,576,585	13,730,587

WESTERN CITIES

	June 1923	June 1924
Fort William ...	3,615,981	3,363,145
Winnipeg	181,673,179	202,333,440
Brandon	2,310,741	2,015,437
Regina	13,665,155	12,400,916
Saskatoon	6,168,685	6,297,569
Moose Jaw	4,649,504	4,272,034
Prince Albert ...	1,410,541	1,230,036
Edmonton	17,548,994	16,951,560
Medicine Hat ...	1,256,482	1,362,477
N. Westminster	2,624,096	2,630,431
Vancouver	61,460,688	60,712,329
Victoria	8,649,660	8,097,722

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Company for the period June 8 to June 14, amounted to 11,261 tons, and for the year to date 213,194 tons.

Independent Order of Foresters

The Completed Record
1874-1924

A Fraternal Insurance Society.
Organized June 17th, 1874.
Admits both men and women on equal terms.
Has over 3,000—Subordinate and Companion Courts.
Has over 40—High Courts.
Membership over 165,000.

Operates on a reserve basis in accordance with its Amended Act of Incorporation received from the Parliament of Canada.

Insurance in force over $150,000,000.
Reserves and surplus over $40,000,000.
Paid to members and their beneficiaries over $82,000,000.

As many as 100 orphan children in a year have been wards of the Society since the organization of that fund in 1903.

Over 750 members have been treated at the Sanatorium at Rainbow, N. Y., of which 514 have been discharged as improved or the disease arrested.

Over 350 members have been treated at the Sanatorium at Lopez Canyon, Cal., of which 275 have been discharged as improved or the disease arrested.

The Order issues Standard Whole Life Policies with Old Age and Disability features, from $1,000 to $5,000.

The Order issues Twenty Payment Life Policies with Automatic Non-forfeiture and Surrender Values, from $1,000 to $5,000.

The Order issues Twenty Payment Life Policies with special Disability features, Surrender Values and Automatic Non-forfeiture, from $1,000 to $5,000.

The Order issues Old Age Endowment Policies with Disability Benefits, Surrender Values and Automatic Non-forfeiture, from $1,000 to $5,000.

The Independent Order of Foresters is to-day the Strongest Fraternal Insurance Society in the World.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JULY 4, 1924

POSTAL WORKERS MISLED

THERE is no particular objection to both the postal strike leaders and the post office department claiming a victory in the recent strike. but it is quite evident from the formal statement of the Minister of Labor that the workers have gained nothing; the leaders are evidently trying to give them a false impression of the real situation, as they obviously succeeded in doing when they secured the strike vote. There is now little doubt but that these leaders were more anxious to create an issue than to secure benefits for the rank and file of the union. Professional agitators and Labor Temple hangers-on also encouraged the men in going out, while false impressions as to the public sympathies were created by the activities of certain holders of public offices who endeavored to extend their popularity or serve their political aspirations by gratuitous interference.

Public opinion is with the postal workers to the extent that they are entitled to a square deal from the government. Theirs is a department demanding hard work in rendering efficient service and this is generally recognized. But defiance of the government is another matter. The men were misled by radicals; and they were encouraged by little politicians and public busybodies who would have been better employed in assisting the government in meeting the issue after its ultimatum was announced. Had the men understood that the government was determined and that to strike would cost them public sympathy, we believe that they would never have gone out.

BUYING POWER AND WAGES

THE continued advance in wage scales during the last year has been one of the most peculiar, and at the same time one of the most significant, businesss developments of the period, states the current issue of the Guaranty Survey, published by the Guaranty Trust Company of New York. This advance has proceeded in spite of the general industrial recession and declining price level which characterized the greater part of the year. Considered in connection with the changes in business activity, commodity prices and the cost of living, the fluctuations in wage scales throw a strong light on the broader aspects of the general economic situation.

During the greater part of the period since the spring of 1923, it should be noted, the trend of the general level of commodity prices has been distinctly downward. Such a trend is commonly characterized by narrowing profit margins, smaller trade volume, and reduced demand for labor, with a consequent decline in wage levels.

The peculiarity of the situation during the last year lies largely in the relation between the movements of different groups of commodity prices, the Survey says, which has been such as to prevent a general drastic reduction of profit margins. While wage levels, representing one important group of costs, have been high, the prices of raw materials and other producers' goods, representing another group of costs, have declined with relative rapidity.

Moreover, it must be remembered that wages, which are a part of production costs on the one hand, represent consumers' purchasing power on the other; so that high wage levels, while tending to restrict profits, at the same time operate to stimulate consumers' demand and to sustain a large volume of trade. It appears that this tendency has made itself felt during the last year. The record of sales at retail, the amount of railroad freight traffic, and the general firmness of retail commodity prices lend support to this conclusion.

The real wages of industrial workers—that is, wages expressed not in terms of money, but in terms of what they will buy of the commodities which commonly enter into living expenses—are at the present time higher than they have ever been before, except possibly for one of two months in the spring of last year.

If the present decline in commodity prices continues, wage reductions in many cases will be inevitable. Some significant downward revisions, in fact, have already been made. Resistance to such reductions may induce considerable unemployment in some industries which could be averted if the workers should recognize the necessity of revising wage scales to conform to the movement of prices.

THE DAY OF THE MOTOR BUS

WHEN is was proposed by the Ontario Hydro to launch a program of electric railways which would eventually involve a couple of hundred of millions of dollars, for lines largely paralleling steam roads more than able to take care of existing traffic, THE FINANCIAL POST called attention to the fact that short haul traffic, both freight and passenger, was rapidly passing to the gasoline vehicle. This development has continued as a feature of modern transportation of growing importance—the use of the motor bus is increasing both as to volume of business and the length of the haul. The Bache Review says:

> The principal inroad made by motor buses thus far has been in the way of pre-empting passenger traffic. Inroads of motor-bus travel are referred to by the president of the Chicago & Northwestern Railway, in his remarks on the annual 1923 report. He stated that in 1917, at which time the automobile was beginning to be a factor in railroad travel, the company carried 16,702,885 passengers in local intrastate traffic. In 1923 there were only 8,133,518 such passengers. The loss of over 50 per cent. in passenger volume resulted in reducing the revenue, in 1923, by over $8,000,000. The loss is attributed directly to automobile and motor buses for short-distance travel. It appears now, however, that the motor buses are increasing the length of their haul, and this has apparently caused the several railroads operating between the Twin Cities and Duluth, to put into effect a $6 week end round-trip fare to fight motor-bus line competition. The distance between the Twin Cities and Duluth is 160 miles, showing a long extension of the motor-bus haul.

Fortunately for the heavily-taxed people of Ontario, who are already bearing a large portion of the deficits of the National Railways, Premier Drury checked the Hydro plans and appointed the Sutherland Commission. The subsequent inquiry revealed that the Hydro radial scheme was nothing more than an idea without definite or detailed plans. Hundreds of thousands of dollars were spent by the Hydro in building up various plans and this expense was borne by the commission, but it was, after all, a trifle compared with what might have been lost by the province had the project been gone on with.

EDITORIAL NOTES

IT MAY be possible to supply the British housing shortage on the basis of 273 bricks per man per day, as outlined in the government program, but it will be on the basis of having more homes than the people can afford to buy rather than having as many homes as the people desire and are reasonably entitled to.

• • •

WINNIPEG bricklayers are striking for an increase of 15 cents an hour, to $1.25. This strike has been called at a time when there are less than one hundred bricklayers at work, because of the small amount of building being done. And the small amount of work being done is because of the high costs—which it is now proposed to increase. Trades unionism is suffering through this kind of leadership.

• • •

THE passing of the death sentence upon six bank bandits at Montreal, because one of the gang shot down a messenger, should have a salutary effect. When sensation-seeking youths appreciate that they are individually responsible for all the acts that may be committed by any member of the gang with which they are associating and must suffer the extreme consequences of such acts, there will be less of the Jesse James spirit abroad in the land.

• • •

HERE is a sidelight on the exodus of Canadians to the financially more enticing industrial centres of the United States. No less than fifteen mill superintendents have gone from one big Sherbrooke woollen mill to the textile mills across the border. As fast as a man has come through the ranks of the Canadian concern and reached the top he has been picked off by an American concern at a salary that no Canadian mill can afford to pay.

• • •

"THE great menace to progress in the world to-day is the ambition of a certain group of self-seeking people to place every phase of human activity under Government ownership and direction and to place life, liberty and the pursuit of happiness under bureaucratic control. This tendency is becoming very marked in our own country," said Mr. Clarence H. Mackay, president of the Postal Telegraph-Commercial Cables of the U. S., commonly called the Mackay Companies.

The Wheat King of Canada Winds Up His Half Century

James Carruthers Retires After Fifty-Four Years of Helping to Market Canada's Grain Crops—Too Old to Tackle Losing Trade of To-Day

By FLOYD S. CHALMERS.

"International affairs are not likely to be normal in my time. Why should I go on losing money year after year when I could retire and be further ahead for doing so," says James Carruthers, of Montreal. Mr. Carruthers is winding up his grain exporting business. In his action there disappears from the stage of Canadian business a concern and a personality that have counted for much in the development of the country. Before the war, Mr. Carruthers was known everywhere as "the wheat king of Canada." His company was the largest or second largest grain exporting organization in a country of grain exporters.

It is fifty-four years since James Carruthers started in the grain business. He went into the service of a Toronto grain house when he was 18 and worked with various companies for a few years before becoming a partner in one of them. Then he started his own grain exporting company, opened offices in Montreal and Winnipeg and eventually moved his head office to Montreal.

Organized Lake Shipping

Early in his grain shipping career he saw the need for a well organized transport service on the Great Lakes to handle grain and organized several companies that built fleets of boats to carry grain from the head of the lakes to the ports at the lower termini of lake shipments. He was president of several of these companies and was president of the Richelieu and Ontario Navigation Company before the war. Along with a few financial friends and promotors who knew little about shipping and a lot about finance he organized the Canada Steamships Lines and became the first president of that company.

In 1913 it was said of him that he had done more to extend the grain trade of Canada than any other man. Newspapers published articles about "the wheat king of Canada" and Carruthers was a picturesque and striking figure in the business world of the country.

Owned Some Able Ponies

His love for the turf made him widely known. He had a couple of horses in his string that were the Zevs of their day. Advance Guard was the fastest horse on the race tracks when Carruthers had him and a sporting club was not complete without a chromo of Advance Guard on its walls. Ben Crockett was a steeplechaser that felt disgraced if it could not win a race by five lengths. To-day, James Carruthers' office in Montreal, the office that he is vacating next month, is filled with pictures of grain elevators, steamships and race horses, the three loves of Carruthers' life.

Carruthers always looked far ahead in judging the future of Canada's wheat trade. He showed his foresight in building up boat lines of boats on the lakes. He indicated the possession of some prophetic vision when he said in 1912, "The outlet of a large proportion of grain in future years is destined to be by way of the Pacific Coast." This prophecy is now coming true in the diversion of increasing millions of bushels of wheat to Europe by way of Vancouver.

JAMES CARRUTHERS

Over Hundred Million Bushels

During the war Carruthers became a buyer and seller of grain on a colossal scale. He bought 25,00,000 bushels of grain for the Italian government from one crop. In the grain year 1915-1916, his firm handled no less than 112,000,000 bushels of grain.

Most wealthy men give to charity. Carruthers has a picturesque way of making his donations. He usually makes up his mind on the spur of the moment and hands out $100,000 in one lump to some worthy cause. He gave $100,000 to the Montreal General Hospital when that organization needed money badly. He gave another $100,000 to the government when the war broke out and told them to equip a machine gun unit with it. He gave aeroplanes as well.

It is a Losing Business

Now he is retiring from business. He likes the grain business, but it is a losing business now and may be for a long time. Carruthers feels that he is entitled to retire and the uncertainty of the present situation gives him his excuse.

The outlook is too uncertain for a man of his age to continue in the business. Both in Montreal and New York the trade is practically demoralized, due to foreign competition.

One day recently Mr. Carruthers received from London a quotation for grain that was six cents a bushel less than the actual cost of buying wheat in Canada and taking it over to Liverpool. It was easy money in the war days, shipping grain, but the story is different to-day. And so the "wheat king of Canada" is going to take the rest that he has earned.

United States Will Benefit At the Expense of Britain

That Will be Main Effort of Repealing the Preferential Tariff Arrangement—Greater Good by Increasing Duty on Products of Other Countries

By RANDOLPH K. JONES, M.A.

An onslaught of no insignificant import has been launched on the British preferential. Senators, commoners, prominent manufacturers, have joined in condemning the concessions granted the Mother Country in the matter of import rates for a quarter century. Great Britain, it is urged, does not appreciate the Dominion's sacrifice, and has rejected the principle of preferential trade within the Empire; while Canada is exhorted not to ruin her own industries in order to subsidize corresponding industries in Manchester and Leeds. The outcome will probably be the repeal of the preference for British imports here.

It is interesting at this stage to inquire the merits of the controversy—controversy, because every Canadian in his heart wants to see the closest relations preserved with the Mother Country. The United Kingdom and the United States are the countries with which the Dominion has her major dealings. For the fiscal year just ended (March 31, 1924), the United States shipped just four times the goods in dollars to Canada that Great Britain did. The average ad valorem rate on dutiable imports from England is some two per cent. higher than the average rate on those from the Republic to our south. Whatever the merits of the circumstance, the fact remains that with the preference in her favor Great Britain pays more on her exports to Canada than the United States, and against the Republic the Canadian general tariff applies.

United States Will Benefit

One can reasonable anticipate the following to occur if the preferential for England be removed: The average rate on English dutiable imports here will attain a figure in the neighborhood of thirty per cent.; British shipments here will decrease in value by at least one-half. With adequate tariff protection against other countries, Canada may be able to produce a portion of the goods no longer imported from Great Britain. But the United States will be the principal gainer; and exports from the latter here will exhibit a marked increase.

The American export to Canada is now annually over $600,000,000, or two-thirds of the Dominion's total buying abroad. The advantage to our country from depending in a greater measure upon a foreign nation for our requirements is exceedingly difficult to see. If the aim of preference abolitionists be greater industrial production for Canada, the act which repeals the tariff concessions to England must be accompanied by higher customs schedules in the general tariff. To merely change the source of supply from the Mother Country to our Republican neighbor will certainly result in no gain to the Dominion.

At least two-thirds of the huge imports from the United States can with slightly higher protectionist provisions be made in Canada. As an economic and national proposition, more gain will result to our country if legislators and manufacturers condemn the low tariff against foreigners rather than the preferential. The total productive enterprise of the Dominion will experience greater expansion through the increase of one-third in the tariff items against the United States than it will through effecting a corresponding increase against the United Kingdom, by doing away with the preference.

Not Good Mercantilism

The Dominion has sold in the last fiscal year $430,000,000 to the Republic, $360,000,000 to the British Isles. Yet she bought four times as much from the former as from the latter. Now it is proposed to make the proportion more grotesque. This is not good mercantilism; and mercantilism would seem to be the standard of preference abolitionists. Mercantilism avoids too complete dependence on any one country; it aims at distributing the dependence of a nation widely.

The distinction must be drawn between those tariff schedules that permit the displacement of home manufacturers through import and those that enable one exporter to Canada to supplant another. In as far as the elevation of duties against the United Kingdom is to increase Canadian production, there can be no serious objections on nationalist grounds; but when the effect is simply to transfer the export business from the Mother Country to the United States, serious objections of a national and imperial character logically arise.

When the situation is thoroughly reviewed, it will be seen that the principle of preference is good. The attack upon the British preferential as now constituted is wrongly directed, in as much as it is not the principle itself that merits condemnation, but the basis upon which it is sought to erect the principle.

Placing Our Purchases

The average ad valorem rate of duty on all dutiable imports entering Canada is under 25 per cent. When one-third the schedules is deducted, the remaining measure of protection for Canadian productive activities is small and generally inadequate. If, however, the average rate were increased to 50 per cent., through the judicious readjustment of the tariff columns, the principle of preference for Britain could be maintained without injury to our economic organism. Able to ship here at two-thirds the new general rate, the British would succeed in wresting from the Americans a generous portion of the latter's export trade here, and not at all interfere with Canadian industry.

Canada is able in a real degree to determine the countries from which she will buy. She has a potentially powerful instrument in the shape of a tariff. She has always hesitated to use this weapon effectively against the United States, which country has had no consideration for her. Now the abolition of the British preference would be a boon to the country upon which we lean most heavily, unless the rates against foreign countries are substantially increased at the same time. It is very foolish, indeed, to entertain for a moment the idea that Canada is going to benefit in direct proportion as imports here from England are shut out.

Canada Has Made Greater Progress Than Sister Dominion Australia

From Our Own Correspondent.

MONTREAL.—Some of those who are a bit depressed at the fact that business seems to show some slowing up are forgetting that conditions in Canada are fundamentally better than at any previous time in its history. Our foreign trade—war shipments excluded—is at a higher level; savings deposits are higher, measured in purchasing power of the dollars represented; national wealth per capita is greater and production in agriculture, forestry and mining larger than ever before.

It would be salutary occasionally to review the progress that Canada has made over a term of years rather than to compare this month's business with last month's business and worry if there is a small falling off in turnover and profits.

Another way to measure Canada's prosperity is to compare our position and progress with the next of the British Dominions—Australia.

Canada has greater wealth per capita than Australia; larger savings deposits; higher agricultural revenue; much greater mineral production; a more highly developed industrial system; more important ocean shipping and, with it all, lower debts federal and provincial, as well as lower taxation. In only two important economic branches of economic activity does Australia lead Canada. It has slightly higher foreign trade per head of population and a greater production of wool and cattle.

Here are some important comparative figures compiled by THE FINANCIAL POST indicating the progress of Canada and Australia. The figures are authoritative and in every case the most recent obtainable.

		Australia	Canada
Population	1921	5,509,073	8,788,483
Area, square miles	....	2,974,581	3,729,665
Agricultural Production—			
Wheat, acres	1923	9,502,832	22,671,864
Yield, bushels	1923	125,831,663	474,199,000
Sheep, number	1922	82,226,470	2,753,860
Cattle, number	1922	14,441,309	9,246,231
Horses, number	1922	2,438,182	3,530,641
Pigs, number	1922	960,385	4,405,316
Wool produced, pounds	1922	633,468,189	18,523,392
Total agricultural production	1922	$977,750,000	$1,419,937,000
Mineral Production—			
Gold production	1922	$ 17,725,865	$ 26,116,050
Coal production	1922	52,432,095	65,518,497
All minerals	1922	101,580,800	184,297,242
Industrial Production—			
Factories, number	x	18,023	43,200
Employees, number	x	395,425	517,141
Wages and salaries	x	$340,254,305	$581,402,385
Production, value	x	$1,606,658,825	$2,747,926,675

x—Canadian figures are for 1920, Australian for 1922.

		Australia	Canada
Commerce—			
Imports	1923	$658,689,175	$802,465,043
Per head		115.75	88.00
Exports	1923	573,756,545	931,451,443
Per head		105.75	102.00
Total trade	1923	1,232,445,720	1,747,760,880
Per head		221.50	190.00
Finances—			
Public debt	1923	$2,022,845,745	$2,453,776,869
Per head		365.00	275.00
Revenue	1923	323,603,165	$394,614,900
Per head		57.50	49.50
Expenditure	1923	313,776,635	332,293,732
Per head		54.00	37.50
Average state or prov. debts, per head	1923	91.00	60.00
Miscellaneous—			
Savings deposits	1923	$850,056,145	$2,107,606,111
Average, per head		$148.00	$235.00
Railway mileage	1922	26,345	39,773

BOOKS RECEIVED

NEW FRENCH DICTIONARY

A recent publication which will meet a wide-felt need in the business and financial world both here and abroad is a French Dictionary of technical and commercial terms edited by J. O. Kettridge, F.S.A.A. and published by Geo. Routledge ad Sons, Limited, of London, Eng.

The new volume is of particular interest to Canadian firms since it facilitates commercial transactions between the English and French communities of the country. Furthermore, in preserving the idioms and the genius of both languages, it tends to foster a better feeling and understanding between these two sections of the country which is a most desirable end.

The dictionary contains a carefully indexed and complete vocabulary of terms used in banking, currency, foreign exchange, stock exchange transactions, as well as general accounting and secretarial work. It should therefore be a distinct contribution as it will be of value to all firms and individuals carrying on correspondence in the French language, and also to French firms corresponding in English.

PRINCIPLES OF FOREIGN TRADE

The gradual commercial recovery of the nations of Europe, and the consequent revival of international competition for control of the world's markets, increases the interest of the business man and the student alike in the broad field of foreign trade. A valuable addition to the literature on the principles and practice of foreign trade has just left the press in Dr. C. E. Griffin's "Principles of Foreign Trade," published by the MacMillan Company of New York.

Many volumes have been published on the theoretical side of this subject and not a few technical guides on practices and procedures to be followed. The outstanding feature of Dr. Griffin's book is that it combines the theoretical and the practical, showing that the two should not be divorced, as is so often the case in works of this kind, but that they are mutually dependent. The writer points out that governmental and business policies should be based on a rational and correct theory of trade. In short, the book deals with the "why" rather than the "how" of international trading, and presents the whole matter in a lucid and interesting way.

"TRAINS OF RECOLLECTIONS"

Some of the most interesting chapters of Canada's railroad romance—and the development of transportation in Canada has in a large measure been the development of the country—are contained in "Trains of Recollections," the story of the life of D. B. Hanna, as told by himself to Arthur Hawkes, and published by the MacMillan Company of Canada. Starting with a Scotch background which provides the reader with a vivid idea of the stern early training of the young railroad man, there is provided an interesting and informative review of his career which is also the remarkable history of the Canadian Northern railway from its early inception as a short prairie wheat road through all the rapid stages of development which resulted in a few short years in a transcontinental line and one of the longest transportation systems in the world; and then the tragic climax of the war, the collapse of great plans and the amalgamation with the Grand Trunk into the Canadian Nationals. The men who played the big parts in this remarkable development and in the affairs of Canada during that period of equally remarkable national growth and expansion are introduced in an altogether informal and intimate way which tells as much of how they did things as what they did. If the effect is that the book, like the Canadian Northern itself, seems a collection of branches put together without a through trunk line, whatever may be lost as a historical document is made up in interesting narrative. Mr. Hanna has committed to paper many of the men who had a hand in the making of Western Canada; they are there as he knew them in action on the frontier lines in the days when frontier lines were exceedingly elastic and when Canadian history was in the making. He has set an example in preserving the color and interest of times and conditions which are rapidly passing—where they have not already passed—which others of the old-timers could well follow with benefits to generations to come.

PERSONAL

R. J. COOPER, 2nd Vice-President of Messrs. Ryrie-Birks, Limited, and a Director of Messrs. Henry Birks & Sons, Limited, who has been with the Birks organization for fourteen years, has resigned, and accepted an important executive position with a large manufacturing company in Chicago. He takes up his new duties in September.

ALBERT S. INGRAHAM is another example of Canadians who have made good in the financial life of the United States. Recently the announcement was made that increasing business forced the Attleboro (Mass.) Trust Company to take over larger quarters. Mr. Ingraham is the president. He left Sydney, N. S., forty-five years ago to take a junior clerkship in a Boston banking house.

UNIONS PAYING FOR STRIKE

SYDNEY.—Merchants at Stellarton, Westville and Thorburn, received about $2,000 as a first payment on debts contracted by the miners' union for strike relief to Pictou county miners last January. Other payments will follow.

JUNE - JULY INVESTMENTS

For those desiring to build up investment lists of good, sound securities, we suggest the following selections from our current investment list:

Security	Rate	Due	Yield
DOMINION LOANS All Issues	At Market		
ONTARIO	6 %	1943	5.20%
SASKATCHEWAN	5 %	1944	5.20%
ALBERTA	5 %	1940	5.20%
BRITISH COLUMBIA	6 %	1941	5.35%
HAMILTON	5 %	1937	5.15%
TORONTO	5½%	1947	5.20%
SAULT STE. MARIE	5½%	1954	5.40%
FORT WILLIAM	5 %	1933	5.50%
ST. LAMBERT	5½%	1952	5.50%
VICTORIA	5½%	1938	5.50%
EDMONTON	7 %	1941	6.10%
HOWARD SMITH PAPER MILLS, LTD.	7 %	1941	7.20%

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

COPPER KING MINE

Banker, Quebec.—A client of ours owns stock in Copper King mine somewhere around Winnipeg. She understands from a friend in the West, that the mine was recently sold. Do you know anything of this?

Department of Mines records show Copper King Mines incorporated in Ontario in 1900. The company was never active, as no further mention of it is made in the department records. It is doubtful if the company held the property idle, paying taxes all these years. This property was in northwest Ontario and doubtless the one your client refers to as being near Winnipeg.

MOUNT ROYAL HOTEL

Reader, Fredericton.—Please give me your advice regarding purchase of Mount Royal Hotel preferred.

Mount Royal Hotel preferred is an uncertain stock to buy, chiefly because the security is being offered by so many different people at so many different prices that the investor has to "shop around" a bit before he is assured of getting the stock at the lowest price at which he could obtain it. But at some of the quotations now being made the stock becomes rather attractive, especially as the hotel seems to have demonstrated its usefulness and earning power in a very satisfactory measure.

ELECTRIC STEEL

Banker, Ontario.—A customer has a few shares of Electric Steel and Engineering about which he has not been able to obtain information for some time. Any information you can give will be appreciated.

Electric Steel and Engineering Ltd. is a holding company with offices at 1506 Bank of Hamilton Building, A. J. Young, president. It is capitalized at $1,500,000 with $750,000 preferred and $750,000 common with $500,000 of each issued. The company owns all shares of Wabi Iron Works, Ltd., New Liskeard; all shares of Boving Hydraulic and Engineering Co., Lindsay, and all the shares of Electric Steel and Metals Co., Welland. No financial statement has been issued for publication, the company states, but shareholders are entitled to and doubtless receive a statement. We know nothing of the position of the company's earnings.

LYALL CONSTRUCTION

W. H., New Brunswick.—Would like your opinion regarding purchase of Lyall Construction common. Should this stock show an attractive appreciation in value over a two year period?

Lyall Construction is a stock that is pretty well shunned by most traders and investors on the street, largely because of the debacle following the sky-rocketing of the stock on the strength of a rumor of a new motor two or three years ago. The company has good orders on its books and by the time it is finished with its present contracts should find other undertakings. Shareholders are dissatisfied though and some of them have been trying to get up a committee of protest to go over a number of things with the management. Intrinsically the stock should be worth much more than the present market, but the complications referred to make it a rather doubtful purchase for any investor who is not in a position to hang on until the air clears and business takes an upward movement.

BROMPTON PULP

H. V., Fredericton.—Would like your advice re purchase of Brompton common.

Brompton common has excellent chances of appreciation. The stock has held at low levels for two or three years, due to the complete cessation of dividends on the common stock. In all that period rumors have been frequent as to early resumption of dividend payments and indeed it seemed a few weeks ago that common dividends were close at hand. Subsequent development of uncertain conditions in pulp and paper markets may have influenced the directors against taking any early action. At the moment the common dividends are by no means an early certainty and as shareholders have waited so long it does not seem likely that substantial appreciation will take place in the market price for the stock until the dividend has definitely been declared or forecast. But the company is in sound condition, the equity behind the stock is satisfactory, earnings are increasing, and all in all, there are not many more attractive looking propositions than Brompton for a two-year hold.

CALEDONIAN REALTIES

J. G., Toronto.—Could you give me any information with reference to the Caledonian Realties, Ltd., 6 per cent. first mortgage twenty year gold bonds, dated October 1st, 1911, due October 31, 1931? So far as I know the last dividend paid on these bonds was October 1, 1915, through the Royal Bank.

Those in touch with Caledonian Realties Limited, feel that the bond holders should eventually get one hundred cents on the dollar for their holdings with interest in full. The company's properties, which consist of holdings of land in Mnotreal, are very valuable, but vacant lands all over the city have moved very slowly since the beginning of the war and many companies have gotten into financial difficulties. It seems to be only a question of time until the best of these companies are able to recoup the investors who put up the money to finance their original operations.

This opinion is given to us by one of the officers of the company who points out that a large part of the company's land is almost certain to be required for a cemetery extension, and that if it is taken for this purpose the prospects will be considerably improved.

RIORDON PULP BONDS

N.P., Toronto.—I would be much obliged for any information you can give me regarding Riordon Pulp & Paper Co., 1st mortgage 6% bonds maturing 1942. I own $5,000 par value of the above bonds, and, although interest has been paid regularly to date, I am wondering how long that will continue now that the Riordon Company is in the hands of a receiver. Do you suppose the holders of the Riordon Pulp & Paper Co., 2nd or general mortgage 6 per cent. bonds due in 1927, have been putting up the money to pay interest on the 1st bonds since the Riordon Company got into financial difficulty?

Our understanding is that bond interest due on Riordon Pulp and Paper issue due 1942 will be paid when due on July 1st. In the past the committee representing the 6 per cent. general mortgage bond holders have been advancing the money for the interest payments, but the company is probably earning much more than enough to meet its interest, and whether the interest will be paid from an advance or out of the earnings we cannot say. It would precipitate a very awkward situation were this interest not to be paid and it is likely to be paid so long as serious attempts are made to work out a solution of the difficulties presented by the unwieldy financial structure of the Riordon Company.

DOMINION COMBING MILLS

Ontario.—Will you please, if possible, give me information regarding the stock of Dominion Combing Mills, both as regards the security behind the investment and the probability of dividends. Will you please also advise the present market price for both preferred and common and if there is any bond or other indebtedness. Do you consider this firm efficiently managed and controlled by reliable people? Also your opinion as to the advisability of holding or disposing of the stock at present market prices.

Dominion Combing Mills is capitalized at $1,000,000 preferred and $1,500,000 common. Fixed assets as of this date are given by Manager A. E. Rea at $950,000 with liquid assets at $319,000, with liquid liabilities of $68,000. In January the liquid assets stood at $488,000, liabilities, $264,000. The company at present has a cash surplus of $50,000. Dividends are some distance removed as the manager says it is the intention to build up a substantial reserve before making distribution to shareholders. There is no bonded debt. Shares are not listed and so there is quite a narrow market. Enquiries in unlisted security circles reveal that one or two units have been traded in at somewhere around $65, but as far as can be learned at present there is no demand for the stock and none offering. Business with the company is reported good. Operations are said to be at capacity. Mr. Rea, who is manager and organizer of the concern, was formerly head of an Ottawa department store.

BROOKS' STEAM MOTORS

Reader, Nova Scotia.—Would be grateful if you would let me know what you think of the Brooks Steam Motors concern. Will they actually be making steam cars in the near future or is it simply a stock selling proposition?

Local officials of Brooks' Steam Motors state that they expect to be turning out the finished product at their factory at Stratford some time in July. They had previously announced July 1 but state that they have been held up on deliveries. Parts of the car are now in the process of manufacture. It is not the intention of the company to make the whole car. They will and are now making boilers and burners. Bushings and other parts will be purchased outside and finished at their own plant. The bodies for the cars will be purchased from a Walkerville firm. The company is still selling stock. It was stated at the Toronto office that near $1,000,000 had been placed out of the total of $2,500,000. Of course, the return to the company would not be $1,000,000 as selling costs and organization expense must come out of this. In sizing up a new motor proposition at the present time it should be noted the industry as a whole seems to be rather uncertain as to what the immediate future holds for it, and the production has reached a tremendous scale. The industry is very largely in the hands of big corporations which have brought the science of production into play in getting prices to the lowest possible level, and have built up huge distributing organizations to cut the marketing costs to a minimum.

DERBY MOTORS

Banker, Sask.—Derby Motor Co. has purchased a factory in Saskatoon and I would like information as to the responsibility of the company, past records of G. W. Davis, Richmond, Ind., and if the concern has capable management, and if the shares are considered a good buy at $15 for preferred and $10 for common.

We do not look upon Derby Motors as an attractive proposition. The industry to-day, as a result of years of effort is highly efficient. Large companies with their mass production have cut costs to the point where it is impossible for the small company with low production and high unit costs to compete. This is evidenced by the fall, from time to time, of small concerns.

Derby Motors might be likened to two London, Ont., concerns, London Motors and Ruggles Motors. Both were importers of parts as the Derby Motors plans to do, and assembled their cars in London. They sold stock and turned out good cars, but they could not succeed. Costs were too high. The people of Western Ontario who bought the stock are the losers. It is hard to see how Derby Motors has any better chance than they had. The company is capitalized at $1,500,000, $50,000 8 per cent. cumulative preferred, $1,000,000 common, par value of both $10. It is proposed to assemble the Davis car, made by Davis Motor Car Co., Richmond, Ind., at Saskatoon, and sell as the "Derby." It is understood that a Winnipeg resident, who holds the agreement with the Davis company, gets stock and other considerations for his interest.

BRITISH EMPIRE STEEL

J. D., Nova Scotia.—Could you give me your opinion as to the possibilities of British Empire Steel 2nd pref.? There are rumors of reorganization of this company, and if that is the case do you advise selling my holdings, or do you think it is just a good time to average down my stock? All I have at present is 100 shares of British Empire Steel 2nd pref., 50 shares of Scotia com., and 50 shares of Dominion Steel com.

For a long hold and a speculative investment British Empire Steel stocks probably offer as good an opportunity as is to be found on the Canadian stock market to-day. But the investor must consider the two points mentioned: first, that he is likely to have to hold his stock for a number of years to get the ultimate benefit from them, and secondly, that the lack of working capital from the company, the suspicious attitude of the investment public towards it and the uncertainty ahead of the Canadian iron and steel industry all combine to make it a very speculative investment.

We do not think that British Empire Steel Corporation will go into liquidation. The company is making making more money per unit of its production than was being made by the two large companies that combined to become the British Empire Steel Corp. But the steel industry has not the great volume of turnover that it had from 1917 to 1920 which were abnormal years, and as a result the profits at the present time of British Empire Steel are less than the combined profits of Nova Scotia Steel and Dominion Steel Corporation before the merger.

We do not recommend that you exchange your Nova Scotia Steel or Dominion Steel stock. The shares are worth more standing on their own feet than in the merger under present conditions.

Maritime Rights

(St. John Telegraph-Journal)

"Maritime rights!" Of course we have rights which have been and are being brutally ignored; but who cares except ourselves? The gods of politics are dumb to claims that are not backed by compulsion. Their justice is based, not on past pledges or abstract right, but on the prospect of favors to come. Our prayers to them are wasted and always have been wasted.

Maritime rights in this confederation are just exactly what Maritime folk can get and have and hold. And what they can get will be determined by the extent they can get together. So long as they divide their energies in provincial rivalries and political squabbles, so long will the interests which profit by their depression continue to grin at their grievances.

That the Maritimes are isolated geographically; that their nearest market is New England; and this geographical disadvantage is intensified by a transportation system which permits the National Railway, which we helped to build and help to maintain, to neglect its Canadian harbors and do the bulk of its business through a foreign port—these things are obvious on the face of any railway map.

That we must have freer trade with our natural neighbors or with our chosen clansmen if we are to prosper is equally clear. Trade with the latter depends upon transportation conditions—with the former on more favorable tariffs. We must have one or the other or we go broke.

Beyond that we need, of course, more thought and effort for local development, more provision for the attraction of new population and the retention of the people we have who are drifting away year by year to the lure of the far off fields that look so green. But these other things are basic—getting together to get before the people of Canada the facts and the necessities that confront and threaten to crush us now.

The suggestion that the Maritimes send a strong and convincing delegation to state their case to the people of our associated provinces at first hand is good. It should have been done long ago. There is an active demand in Ontario now for Alberta coal. The City Council of London recently ordered a lot of it as a reserve supply for its people. There is an active agitation in favor of the haulage of this coal from Alberta by the National Railways at less than cost. Why? Because Alberta advertised and sent its representatives down to Ontario to preach Alberta coal and sold the idea just as any progressive firm sells any other product.

We have something to sell in the same market—the idea that the Maritimes are a part of Canada; want always to be a part of Canada; have useful products and good ports and profitable markets for the rest of Canada; and all at a fair and just and reasonable price. Let's get busy and sell direct, and bother no more with Ottawa which has failed us so many times.

CURRENT OPINION

NOT THEIR FUNERAL

(Toronto Globe)

Strike leaders whose jobs are not in peril are "killing Kruger with their mouths."

DEATH KNELL OF PROTECTION

(Calgary Albertan)

The people are not now to be beguiled by any sort of sophistry to favor a protectionist policy. The budget may not have gone as far as it might have gone, but it was nearer "the death knell of protection" than some may be willing to believe.

CONVENIENT BUT PERHAPS NOT URGENT

(Grain Trade News)

Further reports on the Hudson Bay route have just been laid on the table of Parliament. We would again assert that these reports should have been currently published for the information of the public. Since the 1917 report of the engineer, Mr. McLachlan, was brought down a short time ago, partizans of the Hudson Bay route have been declaring that Mr. McLachlan later made discoveries which altered his views, and even produced some evidence to that effect. There has been keen and rather irritated controversy in certain circles, which might almost entirely have been obviated if the reports now tabled had been brought down at the same time as the 1917 report, for in 1923 Mr. McLachlan states his own general conclusion to be that the Hudson Bay route would be more important as a "back door entrance in a military sense" than as a grain route. Back door entrances are convenient and of value, but there may be no urgent necessity about them to justify the rushing of work upon them when money is scarce and there are many other things to be done. More study and more discussion must be given to this question before a sound conclusion can be reached.

COMPOUNDING INCOME TAX

(Stock Exchange Gazette, London)

Mr. Asquith's reputation as a financier, based largely on his pre-war policy for redeeming the National Debt, stands deservedly high, and, therefore, his suggestion last week with regard to a voluntary capital levy in return for exemption from income tax for a defined period has very naturally aroused a good deal of attention. Mr. Asquith put forward his proposal tentatively and modestly, and only asked for it that "it should not be dismissed without full consideration." Its aim is the good one of reducing the outstanding debt as quickly as possible, but we consider that the method suggested would be both ineffective and objectionable in its nature. Obviously no individual would avail himself of such an option unless he saw an advantage in so doing, and it is hardly likely that many holders of Government securities would be tempted. The question of age would be one, perhaps the greatest, factor in a decision. Naturally, elderly or old holders, not likely to pay income tax for many years in the future, would be unlikely to favour the option. At the same time the young, say up to forty, would have little inducement to sacrifice capital, partly because they are unable to estimate their individual economic position for any prolonged period, and partly because of the uncertainty of the rate of income tax for any definite time ahead. Thus at best the probability is that only the middle-aged with well-assured positions, really a small class, could be expected to compound, and these only to a relatively unimportant extent. The second objection to the suggestion is of a more far-reaching kind, that it would involve a gamble, both for the State and for the individual. If the taxpayer should prove a long liver, and if the rate should be increased, the State would lose. If he should die early, and the rate were lowered, the State would gain. The arrangement would in fact be to introduce an element of chance, involving uncertainty all round, which would be dangerous for all concerned. We are glad to notice that the scheme received little or no support in the House of Commons.

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The scarcity of high-grade Provincial and Municipal Bonds seems likely to become even more pronounced during the month of July, and to those who anticipate funds for investment, at attractive prices, we suggest that our July Offering List contains many excellent investment opportunities.

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Government, Municipal & Corporation Bonds
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Branch: 147 Mountain Hill Quebec

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HOWARD SMITH PAPER MILLS
LIMITED
7% First Refunding Mortgage Sinking Fund Gold Bonds

Due: 1941 Price to Yield: 7.20%

R. A. DALY & CO.
Members Toronto Stock Exchange

BANK OF TORONTO BLDG.,
TORONTO

50 CONGRESS STREET,
BOSTON

6.60%

On a Virtual Municipal Obligation

The Town of Campbellton, N.B., has undertaken to pay a minimum of $40,000 a year for 20 years to the Matapedia Valley Light and Power Company, Limited. This sum is to be paid in consideration of the Company supplying the town with a minimum of 1,100 horsepower for Lighting, Heating and Industrial purposes.

The Guarantee of the Town of Campbellton has been ratified by the New Brunswick Legislature.

This $40,000 annually is sufficient to pay the Interest and Full Sinking Fund requirements of the Matapedia Valley Light and Power Company, whose 6½% First Mortgage Bonds we now offer for investment at

99 and Interest to yield 6.60%

The investment is thoroughly reliable and carries our recommendation—in fact, it should appreciate in value.

No investor has ever suffered a loss by purchasing Bonds of our underwriting.

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MONTREAL
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NEWS AND VIEWS ABOUT BONDS

COMPETITION IS VERY STRONG FOR THE NEW ISSUES

Great Interest is Taken in Proposed Federal Financing

Strength continues in the bond market. This applies not only to government, municipal and industrial issues in current trading, but to the bidding for new issues. Listings in the hands of dealers are getting very bare. The strong demand of big Canadian houses to get bonds to market was indicated in the price paid for the Alberta issue when the syndicate comprising three leading firms put in a bid which was evidently intended to clinch the deal. Also the strong demand for bonds in New York was evidenced in the fact that the Greater Winnipeg Water District issue, payable in the United States, went to a largely American syndicate to sell in the States. Keen bidding for all issues. during the week was in evidence. In addition, the cheap money situation in New York, which has resulted in such a strong demand, with rising prices, for issues there, was responsible for a continuance of the movement of bonds from the Canadian market to meet the American demand.

Taking the larger view of the situation there is a feeling in bond circles that the present strong upward movement of prices has been so marked that it will be followed by a reaction when there is an improvement in the industrial situation which will then provide a more attractive field for investment, with the result that bonds will be sold in favor of stocks. On the other hand is the argument that such an adjustment will take care of itself as it has in the past as one of the usual stages of the investment cycle.

Under the circumstances, with prices strong and the market comparatively bare of offerings, interest in bond circles centres very largely in the government's plans for financing. Bond dealers with their broad organizations and overhead expenses are anxious that the borrowing, or at least a large portion of it, should be done in the Canadian market. They say that the money is available and give increased savings deposits as one indication of this. On the other hand is the argument, which was strongly advanced at the time of the last federal financing, that Canada as a young and expanding country should do her government financing in foreign markets to bring in foreign capital, while Canadian capital was employed in industrial and other enterprises for the development of the country's raw materials. The bond dealers meet this point by arguing that at the present time the industrial offerings are not available to the investors and that if government bonds are bought now they can be disposed of on the market when other attractive offerings are made.

Under the circumstances the decision of Mr. Robb will be watched with interest. In the meantime the only statement he has made is to the effect that he will sell in the best market available. The total federal borrowing for the immediate future is expected to be in the neighborhood of $200,000,000.

Keep Basis Sound

Some interest has, of course, been taken in bond circles in the discussion in parliament of the proposal that in the case of future issues the government dispense with the services of bankers, bond houses and all other middlemen or marketing organizations. In a word, that the government issue its bonds, deposit them with the controller of the currency and issue against them the required total in Dominion notes. This proposal is seriously made by a faction which is gaining power in the Commons, but it made little impression on such a hard-headed business man as Mr. Robb, who can be depended upon to oppose methods which are attractive in theory but which under Russia's financial program have been proven to be very unsound. To issue paper money without a proper foundation would simply mean inflation of the currency with a relative depreciation in its value and buying power.

While it looks attractive on the face of it to evolve some plan to market government issues without paying a commission, experience teaches that government bonds must be sold like other bonds and that the bond houses have an organization which performs this service at a much lower cost than it could possibly be accomplished in any other way.

NURSE LAND ASSETS

Sterling Trusts Makes Proposal for Handling Gr. Northern Land Situation

The certificate holders' committee and Sterling Trusts held another meeting in regard to the Great Northern Land certificates. A proposal was submitted by the company, outlining how the matter might be handled and a further adjournment was made. Briefly the proposal was to nurse the assets along until the time was thought opportune to dispose of them. The hope is that ultimately there will be available between 60 and 70 cents on the dollar. If carried out the operation would be under a company, perhaps the Great Northern Land, and managed by the Sterling Trusts.

June Bond Sales

New Canadian bond financing in May totalled $15,251,367. Of this total $14,211,367 was raised in Canada and $1,040,000 in the United States. For the six months ending June the sales amounted to $170,558,308. The record is as follows:

Municipal	$ 7,476,367
Provincial	4,750,000
Corporation	3,025,000
Total for June	$15,251,367
Where Sold	
In Canada—	
Municipal	$ 6,436,367
Provincial	4,750,000
Corporation	3,025,000
	$14,211,367
In United States—	
Municipal	1,040,000
Year to Date	
January	x$80,354,915
February	20,485,263
March	15,938,712
April	24,458,501
May	14,069,550
June	15,251,367
	$170,558,308

x—Includes Newfoundland, $3,000,000.

Toronto Paper Bonds Redeemed at Premium

From Our Own Correspondent.

MONTREAL.—Notice of redemption of bonds of Toronto Paper Manufacturing Company is part of the plan of financing of Howard Smith Paper Mills last winter. Removal of this issue makes the Howard Smith issue a first mortgage on the properties.

Bondholders of Toronto Paper make an excellent thing out of the deal. They get 110 for their bonds and are paid in New York funds.

Retiring Bonds of Public Service Corp.

The sum of $2,632,875 has been placed to the credit of the Quebec-New England Hydro-Electric Corp. to enable them to pay off the bonds of the Public Service Corporation which matured first of this month. This comprises the principal sum of $2,550,000, together with the half-yearly interest. United Securities Limited made the advance from the proceeds of its capital stock subscribed for by Montreal Light, Heat and Power Consolidated and Shawinigan Water and Power Company. This advance will doubtless be followed by others. United Securities Limited obtains from Quebec-New England Hydro-Electric Corp. a hypothecation and pledge of the security, which have been held by the trustees, Bankers Trust Co., securing the 6½ per cent., 5-year bonds referred to. These securities consist of: 1, 1,700,000 of the Canadian Light and Power Co. 5 per cent. bonds due July 1, 1949; 2, $400,000 of the Montreal Public Service Corp. first and refunding mortgage 5 per cent. 30-year gold bonds due Sept. 1, 1942; 3, $59,500 of the Canadian Light and Power Co. common shares of the par value of $100 each, and 4, $2,550,000 of the Montreal Public Service Corp. 5-year 6½ per cent. second mortgage bonds, dated July 2, 1919, and maturing July 2, 1924.

HEADS BOND EXCHANGE

Fred G. Johnston, new president and general manager of Toronto Bond Exchange, was formerly vice-president of A. A. Stimson & Co. In the 16 years he has been in the bond and banking business he has specialized in government, municipal and C.N.R. bonds. He is a native of the Soo, his father being the late Judge Johnston of that place.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	..	95¼
Alabama 5% 1962	77¾	78¾
Ames Holden 6% 1947	..	42
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	94¾	95½
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	98¾	99½
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95½	96½
Can. Light & Power 5% 1949	80	..
Consumers Glass 6% 1935	85¼	88
Can. Steel Foundries 6% 1936	98¼	..
Dom. Iron 5% 1939	67½	68½
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	..	102¾
East Koot. Power 7% 1942	99	..
Fraser Co. 8% 1941	..	105½
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	..	96¾
Lake Sup. Paper 6% 1941	105	..
Laurentide Pow. 5% 1946	97¼	98¾
Laurentian Pow. 6% 1936	96¼	97
Maple Leaf Milling 6½% 1943	100	..
Maisonneuve 5% 1954	97½	..
Man. Power 7% 1941	98	98¾
Mattagami 7% 1949	25	..
Montreal Pub. Ser. 5% 1942	87¾	88½
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	98¼	99¾
Nor. Ont. Power 6% 1931	93¾	94¼
Ottawa Gas 6% 1939	100	..
Ontario Pulp 6% 1931	105	..
Price Bros. 6% 1943	98½	99
Paton Mfg. Co. 6% 1953	91	93
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5% 1934	101	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1949	100½	101¼
Spanish River 8% 1941	106	106¼
St. Maurice Power 6½% 1953	105½	106¼
Toronto Power 5% 1924	99	..
Wabasso Cotton 7% 1942	..	96
Windsor Hotel 6½% 1943	100	..
West. Koot. Power 6% 1943	99¾	..
West. Power 5% 1949	89	..
West Power 7% 1926 debs.	98	..
Quebec Power 6% 1953	96¼	96¾

60% OF INDUSTRIAL FINANCING OF 1923 WAS DONE AT HOME

Bonds for This Purpose Placed Last Year Totaled $64,000,000

A substantial increase in industrial financing over the previous year was last year noted in the miscellaneous corporation bond issues. In 1923, approximately $64,000,000 were sold, of which 60 per cent. was taken by Canadian investors, while the 1923 total amounted to $47,000,000, of which only 34 per cent. was sold in Canada. Practically the entire balance in each year was taken by the American market, the amount placed in Great Britain being negligible, according to the report of the committee on industrial financing made to the Bond Dealers' Association by R. D. Bell.

Not since the years 1911, 1912 and 1913, when financing for corporation purposes amounted to $81,000,000, $97,000,000 and $69,000,000 respectively, and when 60 per cent. of it was done in England, has money been raised in such large volume for these purposes.

The increase in corporation financing during the past year, however, is not so marked as that in the case of public utilities, for the reason that industrial expansion has made marked progress during 1921 and 1922, during which years little was done in public utility development.

The increase in the amount taken by Canadian investors is very gratifying, as evidencing ability to more than keep pace with the financing demands of Canadian industrial corporations, and is quite remarkable when the amonut of government and municipal financing done in Canada in 1923 is taken into consideration.

Industrial bonds sold during 1923 represented many different phases of industry, but the larger proportion was required for companies engaged in the pulp and paper business. An interesting development, too, is the growth in popularity of real estate bonds, of which quite a few issues were made during the past year.

Bondholders of Gordon Ironside Asked for Funds

An issue of $100,000, 7 per cent., five year prior lien bonds in being offered bondholders of Gordon Ironside & Fares Co., Ltd. These were authorized at the bondholders' meeting, May 2. The statement made with the announcement follows:

"Of the amount required $10,321.20 represents taxes on the Crane Lake Ranch of over 27,000 acres, which is in danger of being sold this year for non-payment of 1923 taxes. The idle Moose Jaw plant has already been sold for taxes and must be redeemed within the next few months, while the premiums of $6,523.40 are in arrears in connection with the $482,500 insurance heretofore carried on same. Taxes on some of the smaller properties of the company are also from one to three years in arrears.

"At the close of 1923 a lease arrangement for 1924 was negotiated by the committee under which Gordon, Ironside & Fares Packers, Ltd., leased the majority of Gordon, Ironside & Fares, Limited, plants, agreeing to pay 50 per cent. of the net profits (but not more than $50,000) as rental. While the operations of the Packers, Limited, to the end of May did not show any net profits for that period, the company has nevertheless done substantially better than during the same period of the previous year. The last half of the year is usually most profitable in the packing business, but no net rental revenue from Packers, Limited, can be definitely counted upon, and in any event will not be available until well after December 31, when that company's accounts are closed.

Offering of $1.250,000 Power Merger Bonds

From Our Own Correspondent.

MONTREAL.—Merger of the Western Quebec Power Company and Hawkesbury Electric Light and Power Company is now complete. Financing has already been arranged by the sale to Nesbitt, Thomson and Co. of $1.250.000 of 6½ per cent., 25 year bonds. The bonds are being offered to the public at par with a bonus of 2½ shares of common stock of no par value for each $1,000 bond.

Capitalization of the new company, called the Ottawa-Montreal Power Company, is to be $5.000.000 of bonds, of which only $1,250,000 are being issued: $1.000.000 of preferred stock, of which only $225,000 has been issued to pay for certain properties and 25,000 shares of common stock of no par value, of which only 15,000 shares are being issued.

At a meeting this week 7 per cent. debenture holders of Western Quebec Power refused the offer made for their holdings. The offer was $100, half in cash and half in preferred stock. They held out for 105.

BOND MOVEMENTS OF THE WEEK

Week Ending June 30.

	Int.	Due		Range	1923	Range	1924	Latest	Price		
BONDS	Rate	Year	Yield	High	Low	High	Low	Ask	Bid	High	Low
Calgary Power	5	1940	7.25	76	72	78½	75½	—	76¼	78½	—
Can. Car	6	1939	5.90	101	95	101⅝	99	—	101	101	—
Cedar Rapids	5	1953	5.13	98½	93	99¾	96	—	99¼	98	—
Dom. Coal	5	1940	5.32	96	94	98	94¾	96½	—	96½	—
Quebec Rly.	5	1939	6.44	83½	68	86	80	86	85⅝	86¼	86
Rio Janeiro	5	1935	6.63	87¼	81	87	82	—	86	87	—
Sao Paulo	5	1929	7.47	90¼	86	89	86½	91	87½	89	—
Wabasso	6	1947	6.67	96	85	96⅜	90¾	95	92	92	—
Wayagamack	6	1951	8.17	86¾	75	80¾	74¼	77	—	76¼	—
War Loan	5	1925	4.56	100.95	99.10	101.15	100.15	100.95	100.85	100.80	100.60
Do.	5	1931	4.91	101.80	99.80	101.90	100.15	100.95	100.85	100.85	100.50
Do.	5	1937	4.74	103.30	102.00	103.30	102.10	102.70	102.60	102.55	102.35
Victory Loan	5½	1924	4.47	101.65	99.80	100.90	100.05	100.55	100.45	100.45	100.30
Do.	5½	1927	4.71	103.50	101.60	103.15	102.15	102.80	102.70	102.90	102.40
Do.	5½	1933	4.86	106.70	104.15	106.65	104.30	104.95	104.85	104.90	104.70
Do.	5½	1934	5.12	103.90	101.30	103.30	103.00	103.25	103.15	103.30	103.00
Do.	5½	1937	4.80	108.45	105.25	108.17	106.30	106.95	106.85	107.05	106.80
Do., Renewal	5½	1927	5.04	102.80	100.75	101.80	101.00	101.75	101.50	101.35	.....
Do., Renewal	5½	1932	5.09	103.15	100.80	102.75	101.35	102.80	102.70	102.65	102.40
Do., Refund	5	1928	4.93	99.70	98.80	100.50	99.40	100.30	100.20	100.25	100.15
Do., Refund	5	1943	4.98	99.25	97.90	100.50	99.00	100.15	100.05	100.25	100.00

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The Week's Bond Sales

An issue of $125,000, 5½ per cent., 10-year debentures of Parish St. Claire de Tetreaultville, Que., was sold to Versailles, Vidricaire, Boulais, Ltd., at a price around 98.

PRESCOTT AND RUSSELL

Matthews & Co. were successful in securing an issue of $175,000, 5½ per cent. 20-year instalment debentures of Prescott and Russell counties at 102.17. The bids:

Matthews & Co.	102.17
Wood, Gundy & Co.	102.088
Dominion Securities Corp.	102.07
Bain, Snowball & Co.	102.038
MacNeil, Graham & Co.	101.83
McLeod, Young, Weir & Co.	101.67

CALGARY SELLS ISSUE

Calgary sold an issue of $1,070,000 of bonds to Spitzer, Rorick and Company. The bonds, which are the first ones ever to be printed in that city, bear the signature of Premier Greenfield, Judge Carpenter, of the Public Utility Board, and need only the signature of Mayor Webster to make them negotiable. The mayor's signature will be affixed after he conveys them to the point of delivery in New York City.

WENTWORTH BONDS

A. E. Ames and Co., with a bid of 98.334 secured the issue of $547,000, 5 per cent., 20-year bonds of Wentworth County. Bird Harris & Co., with a bid of par were the highest tenderers, but this was for delayed delivery which with accrued interest removed the attractiveness of the tender. The bids:

Bird, Harris & Co.	100.
A. E. Ames & Co.	98.334
McLeod, Young, Weir & Co.	98.19
Gairdner, Clarke & Co.	98.09
MacNeil, Graham & Co.	98.07
Bain, Snowball & Co.	97.967
Nesbitt, Thomson & Co.	97.89

ALBERTA MAKES SALE

Alberta has placed an issue of $750,000 15-year, 5 per cent. bonds with a syndicate composed of A. E. Ames & Co., Dominion Securities Corp. and Wood, Gundy & Co. at 97.668. They are payable in Toronto, Montreal and Edmonton. The bids were:

A. E. Ames & Co., Dominion Securities Corp., Wood, Gundy & Co.	97.668
Gairdner, Clarke & Co., McLeod, Young, Weir & Co.	96.78
Bell, Gouinlock & Co., R. A. Daly & Co.	96.72

COCHRANE'S ISSUE

A Cochrane bond issue of $40,000 5½ per cent., payable in 20 annual instalments, has been awarded Gairdner, Clarke & Co. at 100.785. The issue is guaranteed by Province of Ontario. The bids:

Gairdner, Clarke & Co.	100.785
Matthews & Co.	100.78
Bain, Snowball & Co.	100.64
Wood, Gundy & Co.	100.32
A. E. Ames & Co.	100.09
Dyment, Anderson & Co.	100.07
C. H. Burgess & Co.	99.51
McLeod, Young, Weir & Co.	99.67
McCoo, Padmore & Co.	99.45
Goss, Forgie & Co.	99.40
Bird, Harris & Co.	99.41
McNeil, Graham & Co.	99.37
Municipal Bankers' Corp.	98.03

STRATFORD'S PECULIAR ISSUE

The apparent idea behind the city of Stratford making a bond offering bearing 5 3/10 per cent. interest was to get par for the issue. The city failed of its purpose. Bond men held the securities in high esteem and the city gets 100.18 or on a 5.30 basis. When the tenders were first asked one bond man pointed out that 5¼ per cent. interest would have got the city par. That this guess was right is shown by a bid tendered on 5 per cent. bonds which was on a 5.18 basis. There were other bids tendered on a 5½ per cent. basis, which evidenced the fact that the city's 5 3/10 interest rate was not popular. Besides it cost the city money, one-tenth of one per cent., the difference between the cost on the basis called and the cost on the 5 per cent. basis.

McLeod, Young, Weir & Co.	100.18
C. H. Burgess & Co.	100.06
Bird, Harris & Co.	99.76
Bain, Snowball & Co.	99.53
Dyment, Anderson & Co.	99.48
Gairdner, Clarke & Co.	99.

Several firms did not tender on the 5 3/10 rate but submitted tenders at 5 and 5½ per cent. These were:

	5%	5½%
A. E. Ames & Co.	97.69	102.53
Wood, Gundy & Co.	97.88	102.19
Dominion Secur. Corp.	97.221	.....

WINNIPEG WATERWORKS

A syndicate composed of Kissell, Kinnicut & Co., New York; First National Bank, New York; McLeod, Young, Weir & Co., Toronto, have been awarded an issue of Greater Winnipeg Waterworks bonds, $1,055,000, 5 per cent. The issue, payable in New York funds, is in two classes, 20-year and 3-year instalments. Alternative bids were asked and the prices of the successful tenderers were, 97.287 on the 20-year bonds and 99.41 on the three-year issues. The bids were:

	20-yr.	3-yr.
Kissell, Kinnicutt & Co.	97.287	99.41
A. E. Ames & Co., Bankers' Trust, Old Colony Trust Co., Coffin Burr, Inc.	96.29	99.59
Harris, Forbes & Co.	96.17	100.10
Wood, Gundy & Co., National City	95.839	99.29
Dominion Securities Corp., Dillon, Reid & Co.	....	99.329
Bank of Montreal	....	100.27

MONTREAL METROPOLITAN BONDS

Fairly keen bidding on the part of several syndicates, U. S. and Canadian, marked the tenders for the bonds of Montreal Metropolitan Commission. A syndicate composed of Harris, Forbes & Co., R. A. Daly & Co., Matthews & Co., Toronto, and Hanson Brothers and Rene T. Leclerc, Que., with a bid of 96.819, were awarded the issue which amounts to $2,612,000. The bonds are 5 per cent. and the cost to the commission is 5.23 per cent. The issue is payable only in Canada and $1,462,000 is dated Nov. 1, 1922, due Nov. 1, 1949; $1,150,000 dated May 1, 1924, due May 1, 1951.

The price for payment in the U. S. was higher but the commission decided against the acceptance of these bids rather than run the risk in New York funds during the life of the issue.

	Canada	U.S.
Harris, Forbes & Co., Hanson Bros., Rene T. Leclerc, Inc., R. A. Daly & Co., Matthews & Co.	96.819	......
A. E. Ames & Co., Wood, Gundy & Co., National City Co., Greenshields & Co.	96.689	97.03
Dominion Secs. Corp., Dillon, Read & Co.	96.033	97.049
Gairdner, Clarke & Co., McLeod, Young, Weir & Co., C. H. Burgess & Co.	95.637	......
E. H. Rollins & Co., R. A. Daly & Co., Wm. R. Compton & Co.	....	96.9578
National City Company, Harris, Forbes & Co.	.....	95.9066
Union Bank, Sisto & Co., Brandon, Gordon & Waddell, Miller & Co.	.....	95.01

CIVIC AND PROVINCIAL FINANCE

HYDRO STORES BEING RUN AT A HEAVY LOSS

Deficits Shown Where Facts Available—Gas Fixtures Sold

It has been practically impossible at any time in the past to secure figures showing the result of operation of any of the retail stores conducted by the Hydro enterprises in Ontario, or by other public utility bodies in other parts of the country. The first figures available quite bear out the opinion that many of these stores are being conducted at a deficit. A Hydro retail store has recently been closed in the town of Carleton Place, Ont., because of the condition of affairs revealed by an examination of its affairs. The public in that municipality demanded a public audit of the books of this branch. The audit revealed a deficit of $2,300 in the year previous to date of closing.

From the standpoint of the retail trade, the deficit on the operation of such stores is not the only objectionable feature, according to Hardware and Metal. It was established by the audit that the Carleton Place shop was being used as a medium for the purchase of auto accessories, batteries and some other commodities not ordinarily handled by the Hydro shops. Such commodities were said to be secured at favorable prices through this shop for the convenience of friends and customers. The shop is now closed up, only an office being maintained for the transaction of business.

There have been a number of other towns and cities in Ontario where Hydro shops have been closed during the past year owing to inability to place them on a profitable basis, according to Hardware and Metal. Poor management has been blamed in some instances, but inability to cope with conditions, meet competition, and carry heavy overhead with only a comparatively narrow range of appliances to sell has no doubt also been a factor. In the case of many such failures hardware stores have been called upon to help dispose of stocks.

The fallacy of the Hydro's claim that such stores were opened merely for the purpose of increasing the use of heavy power using appliances is shown by the active price cutting campaign instituted on washers, ranges, etc., in places where the power supply has already been overstrained. The greatest fallacy is lent to this claim, however, by the fact that a number of such stores are now going very strongly into the sale of gas appliances. What more ridiculous situation can exist than for local Hydro stores, said to have opened for the express purpose of increasing the consumption of electric power, to go into the sale of a directly competitive line such as gas appliances? Is it because it has been found impractical to carry such stores with only a line of electric appliances? If so, is this branching out process only the beginning of what may be expected?

Winnipeg Municipalities Find Economy Necessary

From Our Own Correspondent.

WINNIPEG.—The position of the suburban municipalities in the neighborhood of Winnipeg continues to occupy the attention of members of the provincial government and the need for greater economy and reduction in operating costs is being emphasized. A similar retrenchment will, it is said, in the course of a few years, be essential in the city itself. The municipal commissioner has just advised the municipality of West Kildonan, lying north of the city, that a reduction of ten per cent. must be made in the expenditures of the school board, which are deemed excessive. As there is no possibility of collecting enough money to pay the present salaries the cut will no doubt go into effect.

GOVERNMENT BOND SURVEY

"Government bonds for the Canadian investor" is the title of a new and interesting booklet just issued by The National City Company.

Dealing with one of the most desirable classes of securities this booklet contains valuable information and particulars of many attractive issues, of governments in every part of the world.

YORK CO. AUTHORIZE ISSUE

York County Council has authorized the issuance of debentures for $366,000 at 5 per cent. for the county's share of provincial highways, the payments to be over 20 years. The assessed value of the whole rateable property in York county was given as $75,899,465.

FURTHER SHORTAGES IN SYDNEY FINANCES

Latest Exposures Include Also Strange Irregularities in City's Documents

SYDNEY. — Discovery of grave irregularities in civic finances, surpassing even the revelations of heavy cash shortages a few months ago, are announced by Mayor James McConnell on the eve of a 20-year audit by Price-Waterhouse experts.

His Worship, elected on a reform ticket in March, says he has been doing some probing of his own and announces the following finds:

(1) Non-resident parents have regular receipts for school fees aggregating $600, but there is nothing to show the amount was ever ever placed in the treasury;

(2) Cancelled cheques at the banks show thousands of dollars of school board funds disbursed on account of "labor payroll," but no documents to show to whom these amounts were paid. The school board denies knowledge of any construction or other work requiring any labor whatever at the times these cheques were drawn. One amount for $960 is accompanied by a voucher, but the name of the alleged payee is unfamiliar to the city authorities.

(3) Provincial authorities have receipts for amounts paid the city for rentals of schools for mining exams., but there is nothing to show these these amounts were ever placed in the treasury.

(4) His Worship says, on taking over city hall on March 4 and since, he has found considerable numbers of blank cheques, signed by ex-Mayor Fitzgerald and the city clerk, lying carelessly around in various places. He has a sheaf of them as exhibits.

(5) A search of the files at the vendership office reveals scores of prescriptions which are obviously forgeries of the names of city physicians; while in many other cases liquor was dispensed on script signed with names which are not even on the medical roll of the province at all.

Robert Carter, C.A., who audited the 1922 accounts early in 1923, did not discover these irregularities for the reason that his contract called only for an audit of the main city books and not for a detailed probe of the hospital, school board and vendorship departments. At that, he discovered cash shortages aggregating $14,000, as a result of which J. J. Curry was, after a lapse of some months, dismissed from the office of city treasurer, but retained as city clerk and secretary-treasurer of the school board. A further audit of 1923 accounts by Joseph Wood, C.A., revealed a further shortage of about $1,000, which had evidently occurred between the end of 1922 and the time Curry was dismissed as treasurer.

As a result of this second audit, Curry was also dismissed from the clerkship. He applied for a writ of mandamus to reinstate himself, but this was refused by the supreme court.

Mayor McConnell's newest discoveries have caused a sharp revival of interest in civic affairs.

F. W. McCombe, J. A. Ryan and H. M. Hoskins, the three Price-Waterhouse men whose work a few months ago sent Robert Theakston, Halifax tax collector, to Dorchester penitentiary, have arrived in the city and begun the work of untangling the city accounts from 1923 to 1903 as authorized by a citizens' plebiscite at which $40,000 was voted for the purpose.

Further sensational developments in the form of interim reports are expected before they delve back very far beyond 1923.

FACTORY COAL DEMAND DOWN

SYDNEY.—The Dominion Coal Company looks for no immediate improvement in the bituminous market, officials intimate. Factories throughout Canada and the States are working shorter time and not using so much coal.

Tenders and By-laws

TENDERS WANTED

July 10, Magog, Que.—$15,000, 5½%, 30-yr. bonds.

July 9, Hudson, Que. — $15,000, 5% bonds, maturing in 1949.

July 9, La Salle School Commission.—$30,000, 5½%, 30-yr. serial bonds.

July 9, Shawinigan Falls, Que.—$100,000, 5½%, 30-instal. bonds.

July 15, Beauharnois, Que.—$100,000, 5½% school debentures. L. C. Tasse, Sec.-Treas.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from June 13 to June 20, 1924

Airlea, $3,400; Holborn $800; Craneshill, $3,000; Cut Arm, $900; Tenold, $4,000; Curwood, $4,400; Coldsprings, $1,600; Guernsey, $3,500.

Debentures Reported Sold

Schools.—Newfield, No. 136, $1,500 10 years, 6½%, Nay & James, Regina; Hoey, No. 3,681, $2,000 10 years, 6½%, Regina Brokerage & Invest. Co.; Andreshiem, No. 976, $1,500, 5 years 6¾%, Melfort Sinking Fund; Vyner, No. 178, $600, 6 years, 7% Bigger Sinking Fund.

PROMOTION FOR FEDERAL DISTRICT AROUND OTTAWA

Project Would Not Necessitate the Resignation of Present Powers

A project which is of more than merely local interest, was discussed last week at Ottawa by a group of representatives from neighboring municipalities called together by a member of the Ottawa Board of Control. This is the suggestion to establish a federal district "around" Ottawa something after the nature of the Federal District of Columbia in which the capital of the United States is situated. Those present represented, principally, Hull and Carleton counties and the city of Ottawa. Without a dissenting vote a resolution strongly in favor of such a district was adopted. It was pointed out that this district would have powers to develop natural resources and public services and that the existing municipalities would not need to give up any of their powers.

It is interesting in this connection that a similar undertaking is under way in our sister dominion, Australia. After long and careful deliberation, the federal government decided to establish a new capital in a federal district, not in any of the existing states of the Dominion. A site was accordingly chosen some distance north of Sydney, and elaborate plans are being carried out to make the new capital, Canberra, an ideal city, and one worthy of the pride of the Commonwealth.

Apparently the object in the minds of the promoters of the new federal district in Canada is somewhat different from that in either of the other cases. In Australia, as in the United States, the purpose of separating the capital was mainly political. It was considered better that the federal capital be outside any of the existing states so that there would be no danger of favoritism or of the expenditure of federal funds on one particular state. Other factors, of course, entered the situation, but at Ottawa the alleged aim is chiefly economic—to provide for the development of natural resources and so on. Evidently some difference of opinion existed at the meeting with regard to how far the project should be extended, but whatever action is taken will be a matter of interest to the entire country.

ILLEGAL TAX SALES DISCOURAGE CAPITAL

British Investor Thinks Business Bad When Land Sells for Taxes Below Value

From Our Own Correspondent.

WINNIPEG.—Property in the city of Winnipeg to the assessed value of about $5,000,000 was sold for taxes this week. The sale is a reflex of the depressed value of real estate, even well improved.

The Winnipeg taxpayers' association presented a letter at the time of the sale. The letter called attention to the obvious injustice of selling property, which the city itself estimated to be really worth $5,000,000, for taxes of about one-seventh of this sum. The actual taxes against the properties were $659,000. In Britain the system of taxation is one based wholly on the revenue from the property, and a situation similar to that which exists in Winnipeg does not arise. One of the results of the sale is the existence of the belief in Britain that the business conditions in Winnipeg are much worse than they really are. The taxpayers' association assails the system of taxation in Winnipeg and believes that the action of the city sinking fund trustees in buying in all the properties in bulk to be illegal. All the property is thus annually bought by the sinking fund trustees and the purchase has been found to be quite remunerative as the interest charged in the case of redeemed properties is high.

OAK BAY REDEEMS BONDS

The district of Oak Bay, B.C., has just purchased $9,000, 6 per cent., 1943, debentures at $105.32, from the British American Bond Corporation, Ltd., in exchange for $9,000 B.C., 1939, 5½ per cent. bonds at $102.20 with accrued interest in each case.

CALGARY TAX RECORD

The payment of the sum of $175,801 into the city treasurer's office at Calgary on June 18 constituted a record since boom days. This brought the year's total to date up to $1,505,179. The rush to pay taxes was the result of the introduction of penalties to be imposed in case taxes were still unpaid on June 20.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold to—	Rate	Term	Amount	Price	Basis
June	—Montreal Metropolitan Com.	Harris, Forbes and syndicate	5%	27-yr.	$ 2,612,000	96.819	5.23
June 20	—Cochrane	Gairdner, Clarke & Co., Toronto	5½%	20-ins.	40,000	100.785	..
June 26	—Greater Winnipeg Water	McLeod, Young, Weir & Co., and synd,	5%	20-yr.	1,040,000	97.287	..
June	—Prescott & Russell	Matthews & Co., Toronto	5½%	20-ins.	175,000	102.17	..
June 29	—Wentworth County	A. E. Ames & Co., Toronto	5%	20-yr.	547,000	99.334	..
June 30	—Stratford	McLeod, Young, Weir & Co., Toronto	5 3-10%	10 to 30-yr.	276,000	100.18	..
June	—Fabrique of Ste. Claire de Tetraultville	Versailles, Vidricaire & Boulais	5½%	10-yr.	125,000	....	..
June	—Dartmouth, N.S.	Nova Scotia Trust Co.	5%	5-yr.	25,000	97.	5.70
June	—Dartmouth, N.S.	J. C. Mackintosh & Co., Halifax	5%	20-yr.	5,000	97.17	5.23
June 16	—St. Joachim de Chateauguay, Quebec	Municipal Debentures Corp.	6%	18-yr.	18,000	100.85	5.42
June 17	—Oak Bay, B.C.	British Amer. Bond Corp.	6%	20-yr.	9,000	....	..
June 20	—Saskatchewan Schools, etc.	Various			7,700	....	..
			6%	10-yr.	50,000	....	..
		PROVINCIAL					
June 30	—Alberta	A. E. Ames & Co., Dominion Securities and Wood Gundy & Co.	5%	15-yr.	$750,000	97.668	..
		CORPORATION					
June 30	—Drummond Investment Co.	Royal Securities Corp., Montreal,	7%	....	$650,000	98½	7.15
June	—Laurentian Hydro Electric	Browne, Urquhart & Co., Montreal.	6½%	10-yr.	500,000	97.15	..

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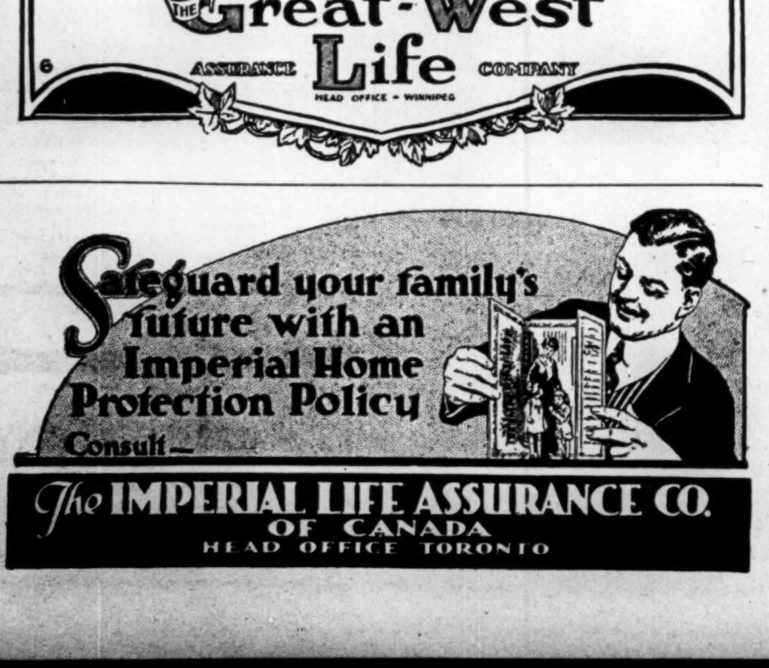
In 1904—20 year Endowment Policy P21273 (age 32) issued for $5000.
Maturing 1924, Policyholder draws $7450 Cash—being $2580 more than he paid in premiums.
He had the option of taking $4795 in cash and a paid-up policy for $5000.

THE Great-West Life ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG
6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INSURANCE FOR BUYER AND SELLER

ONLY STATUTORY CONDITIONS ARE VALID IN POLICY

Disputed Point in Ontario Insurance Act is Settled

Does the Ontario Insurance Act require that the statutory conditions must be printed on policies insuring against fire and some other causes of loss, theft, for instance? Must the statutory conditions be printed on policies which do not insure against fire as one of the causes of loss?

These questions were presented to the Supreme Court of Canada in the recent case of Western Assurance Company vs. Caplan, where a policy insured an automobile against fire or theft, the insured put in a claim for loss by theft, in 1921. The company refused payment on the ground that the policyholder had stated in applying for the insurance that the car would not be used as a taxicab and a clause in the policy stated that it would be void if such a use of the car were made. The evidence showed that the car was being used as a taxicab when the loss occurred.

The substance of the judgment is that the clause in the Ontario Insurance Act, which requires that certain conditions in insurance policies shall not be binding unless printed on the policies under the heading "Statutory Conditions," applies to policies insuring against fire and other hazards, as well, even though it appears in the Act in the section relating to contracts of fire insurance.

The plaintiff claimed that the clause stating that the policy was void if the car were used as a taxicab was not binding on him, because it was not set forth in the policy under the heading "Statutory Conditions," in the manner prescribed in the Act. The company then claimed that this section of the Act applied only to fire insurance and not to other hazards.

In giving his decision the Court answered the first question in the affirmative. The judgment reads in part as follows:

"These changes, first in the form of the enactment prescribing the Statutory Conditions (section 194), and then in the form of the conditions themselves, seem to imply a deliberate intention that the operation of the enactment shall not be limited to policies of insurance in which fire, as defined by the conditions, is the only peril insured against. It is not necessary to pass upon the question now whether or not section 194 applies to policies of insurance in which loss by fire is not one of the subjects of indemnity. As already indicated, arguments of some plausibility may be derived from the conditions themselves in opposition to that view; but I see no reason to doubt that section 194 in its present form does contemplate the application of the conditions to policies of insurance in which the perils insured against are not limited exclusively to fire, and in which there is a single, indivisible contract of indemnity in consideration of the payment of a single premium. That appears to be the view of the Court of Appeal as expressed in Rockmaker v. Motor Union Ins. Co."

In answer to the company's contention that the law could not apply because the claim was made through theft and not fire, the Court said:

"Mr. Fraser argued that the policy was a policy containing several contracts of insurance; in other words, that the contract of insurance against loss by theft is severable from the contract providing for indemnity for loss by fire. I cannot agree with that view. The so-called application upon which Mr. Fraser relies—it is described on its face as a Daily Report—does, it is true, profess to apportion the total premium, ascribing to part the office of premium for fire insurance and to the remainder that of premium for theft insurance; but the evidence is conclusive that the assured had nothing to do with this so-called application, which he never saw, of the contents of which he was ignorant, and which he did not in any way authorize."

An application for leave to appeal the case to the Privy Council further, was made and refused.

Sprinkler System Has Reduced Insurance Cost

From Our Own Correspondent.

SYDNEY.—The sprinkler system as a means of reducing insurance charges has been enthusiastically adopted by the business community here. Already about $500,000 worth of property in the business section is so protected, and construction work is now under way on installations which will cover approximately $500,000 more.

ATLAS PROMOTIONS

C. H. Fallon, the general manager of the Atlas Assurance Company, of London, England, is expected to arrive in Winnipeg in July.

C. E. Sanders, manager in Winnipeg for this company, is now in charge of the general office of the company in Montreal, with supervision of the business in Canada. R. R. Martin, who was in charge of the Montreal office, has been promoted to the management of the company in New York. J. N. McLeod, inspector for the company in Manitoba and Saskatchewan, is in temporary charge of the Winnipeg office pending further instructions.

ENLARGE HEAD OFFICE

The rapid growth of the business of the Crown Life Insurance Company has made it necessary for the company to extend its head office. It is expected that future development will necessitate the use of the entire home office building at Yonge and Colborne Sts., Toronto.

Change Name to Montreal Life Insurance Company

The Travelers Life Insurance Co. of Canada has now been changed to Montreal Life Insurance Co. This change will not only avoid confusion with certain other insurance companies but it will localize the name of the company and stamp it as a purely Canadian institution. The idea is also removed that the insurance issued is confined only to those who travel. The name of the company only has been changed. Existing policies are not affected and the financial position remains the same. The company has over twenty million dollars of insurance in force with assets of over two millions. Arthur P. Earle, A.I.A., A.A.S., the vice-president and general manager, is well know in insurance circles and is largely responsible for bringing the Montreal Life Insurance Co. to its present enviable position.

An Engineer in Insurance, H. P. Stanley is Big Producer

By Following Carefully Method of Presenting Definite Plan of Insurance and by Acting as Broker, Montreal Man Attains Success in Life Field

In the financial heart of Montreal is a door with this inscription—"H. P. Stanley, Life Insurance Service Bureau." Somewhat intrigued with this inscription, I went in and asked Mr. Stanley what it meant. The story he told me is unique as Stanley is probably the only real life insurance broker in Canada.

Much has been said and more has been written on the necessity of giving the insurance prospect service, but Stanley has been giving his clients such super-service for the four years he has been in business for himself that he told me very rarely now does he go out after a prospect; they come to him. Indeed, as I sat in his office one of his clients rang up and told him that he was ready for insurance and asked him to come around in the morning. It is something new for the prospect to call on the agent, yet more than 90 per cent. of Stanley's business now comes to him in this way.

Stanley's View of Service

What is the secret of this new way of selling life insurance? The answer lies simply in service, only Stanley's service is so different from and better than the average that his profits also are far and away above the average also; in fact, the amount of business turned over by Stanley to various companies yearly is probably not exceeded by any other salesman in Montreal. For several years he was employed by the Royal Insurance Company as inspector of agencies for Quebec and later in the same capacity for the province of Manitoba. At that time he was one of their best salesmen. By early training he is an engineer and in 1920 he conceived the idea of going into business for himself as a life insurance expert and of giving his business to the companies that could best fill the particular needs of his individual clients. One of his chief assets is a lucidity of explanation, probably due to his earlier training as an engineer.

Will Not be Pestered

Mr. Stanley's first step in approaching a client is to make him understand quite clearly that he won't be bothered in any way, nor will anything be sold to him. This first step is now unnecessary—Stanley's first clients are boosters. He goes to a man and merely asks him for his present policies. With these in his possession he draws up and presents a written report which shows clearly the layout of the client's whole insurance scheme.

This report is made up in two sections, both bound into a neat folder. The first part is an easily read table showing the full particulars of each policy, so that the client is able to see at a glance the date the premium is payable, whether age has been admitted, receipts have been attached, and whether the premium is being reduced. Besides giving this and all other information on each policy, there is inserted here a space in which may be noted suggestions for the repayment of loans and particular points to be noted in connection with the policy, etc. The second section is devoted to the insurance as a whole, usually in relation to the client's earning power and any other factors, such as his business, which has an important influence on his insurance. Here, too, are included Stanley's concrete suggestions for future purchases. These suggestions state in a definite way just what the insured needs and what the cost will be.

Plan to Build on

As his existing insurance has been presented in such a way as to be readily and quickly understood, the client has before him a plan on which he is able to build a comprehensive life insurance programme covering definite and specific requirements. Mr. Stanley's knowledge of life insurance enables him to obtain the coverage in question at the lowest possible rate and thus effect a saving for his client. When the prospect receives his report, he is not approached again, but more often than not the results are felt almost immediately, as usually the client sees that he needs and can carry more insurance; in some instances though, Stanley has had to wait for some years for results—in other cases he has found that the prospect has sufficient covering and if this is the case it is definitely stated on the report.

Stanley says that he can't sell insurance, yet despite this declaration, his clients have noised his name abroad to such an extent that he now is able to specialize in a large measure on group life insurance for corporations and business insurance for partners and corporation executives. In fact, when I called on him he had just completed a lengthy report for one of Canada's largest companies, dealing with their group life insurance, group accident and sickness insurance and pension plans. When adopted this report should effect a very material saving for the company. Many companies have called Stanley in for this type of work and as these reports often demand more than four weeks' effort he is generally specifically retained.

Intimate Study Needed

Looked at through Stanley's glasses the business of selling life insurance seems easy, yet these glasses of Stanley's are an intimate knowledge of insurance policies, companies, and their related subjects, such as death duties, etc. This knowledge can only be acquired as he acquired it, by deliberately setting out on a long course of laborious study.

Stanley has many tokens from various companies, showing the regard in which he is held by these corporations, and as I left his office he said: "Of course, I've managed to devise a way by which my prospects will come to me, but you know I really can't sell at all."

From what I learned during our chat it would seem that here is a definite field for the life insurance broker in Canada. The rewards should be as great as the need for competent men. Should not this work be encouraged by the companies? The life insurance broker not only sells the policies but does a constructive work in showing the prospect his foundation for a larger and better insurance scheme. Moreover, the type of business handled by a broad-gauged man such as Stanley would include only a minute percentage of lapses.

—J. R. T.

Own Motors But Don't Pay Any Income Tax

Should all motor car owners pay income tax? In other words, can a man earning less money than necessary to place him in the income tax payers' class afford to drive a car?

The question is becoming a live one in the U. S. as statistics show there are five motor car owners for every income tax payer. On the other hand, business statements of wage rates indicate that there should be 20,000,000 paying income tax out of the 110,000,000 persons in the country, whereas only 7,000,000 actually pay.

INSURANCE LICENSES

A license has been issued by the Department of Insurance, Ottawa, to the New Hampshire Fire Insurance Company to transact tornado insurance.

FIRE LOSS LOWER

The report of the city of Toronto fire department estimates the loss through fire for the first six months of the year at $639,206. This shows a reduction of nearly $85,000 from the same period last year.

SOLDIER SETTLERS PAY LOANS

OTTAWA.—More than 1,000 soldier settlers have either paid off their indebtedness on their farms or have made prepayments on their loans of more than $1,000, according to Major J. Barnett, chairman of the Soldier Settlement Board. The abandonment figures are approximately the same as in the 15 corn and wheat states of the United States. The board had sold 1,600 farms for salvage, leaving $600,000 more than the government had paid for them.

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CALGARY.—P. Burns and Co., are about to make a trial shipment of 1,200 boxes of butter to the Old Country via the Western route.

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recognize the value of Life Insurance as a protection for their Investments and Business Interests.

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Head Office
WATERLOO, ONTARIO

CAFETERIA LOSS IS REGARDED AS GOOD BUSINESS

The Return Comes in Better Work From the Employees

EMPLOYEES OPERATE

Left to Committee so That the Benefits to Patrons Are Realized—Spend Much on Welfare

That the E. W. Gillett Company, baking powder and yeast manufacturers, Toronto, are losing about $500 every month on their cafeteria and yet consider it good business, is the statement made by the president, Mr. George H. Macfarlane.

At first glance it would seem that an executive of a large manufacturing company such as this would be startled to see reports coming in every month showing such a deficit. Perhaps in most offices there would be a general conference of everyone connected with the department to find the trouble and to have it immediately corrected, either in higher prices charged, less expensive food used, or inferior service.

This is not the case with the Gillett plant. Mr. Macfarlane told THE FINANCIAL POST they feel it is good business to do this for the chief reason that it increases the efficiency of their employees so that they do more work and better work in the last half of the day. Formerly it was observed that many of them became tired and partly fagged around 4 o'clock in the afternoon, so that from then on they could not do their best work. It has been generally noted since the cafeteria was opened, as well as a Welfare Building and recreation ground for the benefit of the comfort and health of the employees, there has been a noticeable improvement in the enthusiasm for their work and in the output of the plant.

The cafeteria, also the various types of sport, are run by the Gillett Club with regular officers elected annually. Committees are then appointed to take charge of each division, one of them looking after the cafeteria, another after football and so on. The cafeteria committee has full charge of the cafeteria—buying, setting the prices, and supervising wages of those necessary to look after it properly. At first the deficit was considerably larger but the committee has been able to reduce it by careful attention to details. The company has placed an expert dietician in charge of it. She attends directly to the kind and quality of food purchased, and combinations that will tend to give the men and women employed the most nourishment possible for the money. Around 300 attend luncheon every day. THE FINANCIAL POST was given the privilege of sampling the luncheon that is offered at 25c. and can speak for the high quality of it. There is also an a la carte service.

Employees Operate

The company feel that if they operated the cafeteria themselves it might be considered by some employees that money was being made out of it in spite of the charges made. This is why they have placed it entirely in the hands of a committee of employees to operate. This committee handles the money and sees the deficits.

The entire basement of the Welfare Building is fitted up as a rest room, with cushions, reed chairs and large comfortable couches for the benefit of the employees during the noon hour. This room has a piano and Victrola so that dancing may be enjoyed by those who feel like it. It is used every day in the winter season, but just now the employees spend their noon hour outside on the recreation grounds, which are fitted up with a bowling green, tennis court, cloak golf, quoit beds, as well as canvas covered hammocks and chairs.

While the Welfare Building and grounds represent a large expenditure and while the cafeteria means the deficit referred to above, President Macfarlane contends it is good business. Without even a suggestion to the employees, it has been observed that the mixing of one with the others under inviting circumstances has tended to create more refinement in the actions of the men about the entire plant. The fun and pleasures indulged in are of a more wholesome and hearty character. It has tended to the greater contentment of the employees with their work, and it is seldom indeed that changes in the various working staffs are necessary. It has served the purpose of improving the relations between employee and employer, so that not only is there greater loyalty on the part of the employee of the firm, but greater efficency all round.

48 German Families for Southern Alberta

From Our Own Correspondent.

LETHBRIDGE.—Forty-eight families from Germany will locate in Milk River district, a rich farming section, 70 miles south of this city, near the American boundary. The families representing 150 people, most of them with enough means to purchase land, are being brought out by the C.P.R. and Milk River Colonization Board, acting jointly. Farmers apply for a family or families assuring them work for at least six months at a stipulated wage. The application is investigated carefully, and, if accepted, the family is secured and passage from Europe arranged. There is a strong German element in the Milk River district, so the new settlers will feel at home. A family of Hungarians will be brought out later.

Take Care of Stomach Rather Than Pocketbook

NEW YORK.—John E. Andrus, capitalist, who has amassed fortunes in medicine, timber, ore, real estate and banking, and is reputed to be one of the ten richest men in America, observed his eighty-third birthday in good health at his home in Yonkers. In chatting over a score of subjects he warned that money was going to be more scarce, and expressed the opinion that a young woman who bobs her hair is mentally defective.

"My receipe for long life is to take more care of your stomach than you do of your pocketbook," said Mr. Andrus. "Be carefuf of diet. I don't know whether I have a stomach or not, for I never abuse it. I go to my office every day by subway. It is the cheapest ride. The sun does not shine on another spot of ground where you can get so much for your money as in the subway. If your mind is active and you are thinking you do not mind the noise and bustle. It doesn't try my patience, for I think it is a splendid place to think.

"My favorite pleasure is to be at home at night with my family. I think over the day's work and where I have made mistakes and prepare myself with a good night's rest for the jobs of the coming day.

"I like a simple life, peace of mind, a restful night and business conducted without friction. Play the game square. A safe, sane mind used on on all occasions will bring rest and quiet sleep. Money sometimes taxes the human brain beyond the limit and then something snaps."

Close of Immigration Office is Temporary

From Our Own Correspondent.

OTTAWA. — The report from Omaha to the effect that the Canadian immigration office was closing up there has been taken in some quarters to mean that it is the intention of the Government to curtail its efforts to secure immigrants across the line. It is understood that such is not the case. The Omaha office has been closed, but only until a younger and more active agent can be secured, the former one having slowed up through age.

The department believes that eventually the tide of immigration will again set in strongly from the United States. As yet there are no indications of this, the number of arrivals from there during May having been slightly under 1,800. In April, 1913, more immigrants came from the United States than during the whole of last year.

Getting West Indian Trade

Keep up the Quality and Meet the Specifications of the Buyer

By E. W. MACDONALD.

This article is the second written for THE FINANCIAL POST by E. W. MacDonald, D.S.O., M.C., F.R.G.S., of Halifax, who recently conducted a thorough investigation of export trade possibilities for Canadian manufacturers in the West Indies.

Publicity is a factor in modern trade the importance of which no exporter can afford to minimize. The public has a proverbially short memory and it is just as necessary for the individual who has anything to sell to keep constantly reminding his customers of the merits of his particular commodity as it is to make the initial announcement that his goods have been put on the market. This is equally as true in the West Indies as it is elsewhere and no trader can reasonably expect the West Indian public to respond sufficiently to make his venture a profitable undertaking unless its imagination has been stimulated and its reason appealed to any more than he can expect to find a ready-made demand for the same article in his domestic market.

It is true that many West Indian distributors carry considerable advertising on their own account and for this reason exporters are often tempted to shirk all responsibility in this regard. It is urged, however, that if a serious attempt is to be made to establish a new line, they be given every possible assistance. This is especially the case during the early stages of introduction; but, on the other hand, the importance of persistently keeping at it as long as competition is intended should not be lost sight of. West Indians are very susceptible to advertising—much more so than their neighbors in more sophisticated communities—and an appreciation of this characteristic, properly followed up, is not without its reward in volume of sales. Free samples are enthusiastically received in certain quarters and manufacturers whose products will permit this method of introduction could do much worse than cater to this weakness as a means of popularizing their goods. These samples should be of generous proportions and accompanied by quantities of reading matter.

Another method which is less expensive and generally more practical and which has been productive of good results is the extensive use of attractive display cards wherever the goods advertised are retailed. Demonstrations, also, are very popular.

Then, there is another form of advertising which may seem trivial enough but which is not unworthy of mention. Many Canadians who compete in these markets are accused of paying too little attention to their containers and labels. In instances where these criticisms are just, a change is certainly to be recommended, as good printing is a selling factor of more than a little importance which appears to be too often overlooked in this field. A pleasing exterior often goes a long way toward making a sale and it should not be sacrificed for the purpose of saving a few dollars in printers' bills.

As might be expected, Americans have taken a definite lead in advertising in some sections of the West Indies. This is especially true in the Western Caribbean. In Jamaica, for example, the United States has almost a dozen Consuls while Canada is represented by one lone Trade Commissioner who is also responsible for Canadian representation in all the neighboring islands and the countries of Central America as well. To cover his area properly requires over a year of constant travelling. The American flag is prominently displayed and shops, hotels, agencies and restaurants masquerade under American names. Although somewhat disconcerting in British colonies, this is not altogether surprising, as the United States is a good customer as well as a source of supply, and the fact that West Indians have so readily responded to the American lead can, no doubt, be attributed as much to policy as to their admiration for things American.

But advertising, alone, will not insure a sale for Canadian products is the West Indies. It must be supported by quality, an attractive price and considerate service. If West Indians are to be believed, it would appear that Canadians persistently fall short of the service standard. This is particularly the case in forwarding documents and one hears frequent complaints from all parts of the West Indies regarding irregularities in this connection which inevitably lead to endless inconvenience and annoyance to the purchaser and, if repeated, the alienation of his good will and his refusal to give repeat orders. This can only be avoided by exporters making certain that invoices, bills of lading, certificates of origin and drafts travel on the same boat with the consignment. This is an important point and shipping departments should be instructed accordingly. There are, of course, instances where difficulties in previous collections have resulted in an alternative method being adopted and shippers have been known to demand payment of their drafts in New York before releasing their goods. Nevertheless, the former procedure is recommended as a rule.

Then there is the problem of crating. It quite often occurs that West Indian importers make certain specifications in regard to the manner they desire their orders packed. There is usually some good reason for this even though it is not apparent to the shipper and he will do well to follow his customer's instructions without deviation. Further, each case should be numbered and should be identifyable by a corresponding designation on the invoice. This is for the purpose of facilitating the clearing of the shipment from customs; and all invoices should, in addition, show the dutiable valuation and net weight, (or volume), together with complete information regarding the contents of each parcel of the consignment.

WINNIPEG ENGINEER WOULD BUILD TO BAY

Is in Favor of the Government Staking Necessary Millions to Complete Road

Special Correspondence.

WINNIPEG. — Believing that it would be good business to complete the Hudson Bay railway in view of the investment on the project already made, W. M. Scott, commissioner of the Greater Winnipeg Water District, says:

"The Hudson Bay Railway has been two-thirds completed, the subject demands consideration of a different kind from that which it would require if it were only a proposed undertaking. Rightly or wrongly, we have made an investment of about $14,000,000 and if abandoned now, the maximum salvage which could be expected would not exceed $1,000,000.

"Considering the railway only—not the Port Nelson terminals—the problem takes this form: Is it better to take a definite loss of $13,000,000 now than to take a chance between a greater loss or eventual success in the future?

"The history of the northern peoples is one of accomplishment and surmounting of obstacles. The trend of settlement is northward. Out of the north has come great wealth. It would seem, therefore, contrary to our reputation to definitely abandon or destroy a property which has at least some chance of proving eventually successful."

He suggests that in an economic study of the matter, for the present at least, that part of the railway already built should be considered separately from the balance of the route. He adds:

"It may be that Port Nelson will never be a feasible port, and that Fort Churchill should be the terminus of the railway. What we know of Port Nelson is certainly not very encouraging.

"The navigability of the bay and straits should be given further study and investigated in a proper way; also the fisheries and all other natural resources which the route would develop."

In regard the criticism of the port and the statement that there would be heavy charges to meet he makes the point that no port ever sprang into being completely equipped. They will all develop gradually and he holds that if the route in such a way proves even partially successful, it will have been justified. If it is to be proved a failure as a grain outlet, the gradual development method will show us this without incurring the vast expenditures already indicated.

Capital and Labor Must Both Serve the Public

By HOWARD ELLIOTT,
Chairman, Northern Pacific Railway.

There is not the same chance for the rapid accumulation of great fortunes as there was when the natural resources of the country were undeveloped and open to bold, strong men, but never were opportunities greater than to-day for intelligent, level-headed, hard-working men of high character to work, not only for themselves and those dependent upon them, but for the nation, in an effort to manage wisely the complicated machinery of government and all forms of industry, so that there will be a minimum of lost motion in national life, and a maximum benefit to all. Any life-work, selected with this as the guiding principle, and pursued with industry, intelligence and tenacity of purpose, will produce adequate material benefit to the individual himself, and the direct and indirect benefits—material, moral and spiritual—of such a well-spent life upon his present generation and upon posterity will be far-reaching.

Unthinking men and demagogues are prone to magnify past and present evils, and, by minimizing the good things, do harm in making people think that all government and business are corrupt, and managed by crooked and unfair men.

The standards of life are growing better, notwithstanding assertions to the contrary. The world needs, however, men of training, of unswerving integrity, and moral courage, who will, in their daily lives, show that "honesty is the best policy."

Because of economic dislocations growing out of the great war, there is a considerable number of people who are spreading socialistic and communistic doctrines, and their orators and teachers are abroad in the land. To counteract their work, the educated man of the country should awake and point out that the insidious teachings of the agitators in the long run, will not produce the results expected.

I believe that life, social and national, is on a higher basis than it was fifty years ago, and that the pessimists are magnifying some of the faults that have developed out of our marvellous progress. I believe that men, as a whole, are more willing to be fair and square with their neighbors, both in a business way and in a social way, than they ever were before.

Some one defined "democracy" as "the divine right of the incompetent to misrule themselves."

Railroads put up signs at road crossings which say, "Stop, Look, Listen." There is to-day a burden upon the educated man to stop and consider the conditions confronting the country; to look ahead carefully and consider whether we are drifting in the wrong direction; to listen to those who criticize and complain, and who offer all sorts of patent nostrums for the cure of human ills, but at the same time, to consider those who are doing the really hard work in trying to keep this country the best part of the earth in which to live.

To pay more attention to sober, silent, sensible men, and less attention to those who make more noise, but who have not thought quite so deeply about the problems they discuss so glibly. We need a rest from continuous agitation, and we need intelligent work and economy in the business of government.

Capital and Labor

The distribution of the annual increment of wealth in the country is very properly a subject that engages the attention of everyone. Everyone naturally desires to obtain all he can, with due respect to the public interest.

One of the problems of life is to treat capital and labor both so that they will be servants of all the people, and obtain just reward for work done; but, at the same time, to make capital and labor both realize that they cannot obtain from society more than society is able to pay.

Our complicated civilization has developed great organizations of labor and capital. Capital unions and labor unions are all right when they are so conducted that waste is eliminated and they are efficient and economical instruments of society as a whole. When they cease to be that, their usefulness is gone and society will get rid of them.

Capital organized so as to produce what society needs, and public utility and quasi-public corporations grew up as a result. Organized capital made mistakes, but, on the whole, it has produced great conveniences, comforts and luxuries for the people of our country. Because of some of the mistakes of capital, labor organized, and no one can take exception to this, because it is a natural, social evolution.

Because of the mistakes of capital, society began to regulate it. Society in some way should develop a public opinion and give effect to it—that if a man elects to earn his living by working for a quasi-public corporation, he must do so with the understanding that he subjects himself somewhat to the rights and privileges of others. An extreme case of the subordination of the individual is the army, where a man is under very severe restrictions and discipline, and in times of war may be shot or hanged if he breaks certain rules. The other extreme is the trapper in the mountains, who is beholden to no one but himself. Somewhere between these two extremes must be found a common ground where the men who operate the railroads, who mine the coal, who run the water works, the lighting plants, and produce those things upon which the lives and health of a complicated society like ours depend, and which must be produced with regularity and precision—these men must subordinate their individual views for the good of all, for the safety of the country and the government that protects them, and gives them opportunity to live and work in peace.

The citizen who puts a dollar of his savings into a quasi-public business, does so, knowing that his dollar is subject to the power of the government to make rules and regulations governing his business in the interest of all. The man who decides to earn his dollar by working for a quasi-public corporation should be willing to submit to reasonable rules and regulations just as much as does the man who puts in his dollar already earned. It is in the public interest to have the invested dollar regulated reasonably, and it is equally in the public interest that the dollar paid for service and conditions of service should be regulated reasonably.

In a complex civilization like ours, with great, concentrated populations to be furnished fuel, shelter, light, water, transportation, there must be continuous service by coal mines and transportation agencies, just as much as a continuous supply of water and continuous protection from policemen and firemen.

Society much say to labor, sooner or later, just as it has said to capital—"You cannot use the concentrated power in your hands to hurt society as a whole, and when you do so use it, society will, in some way, create conditions that will take that power away from you."

Society must say to labor, sooner the club, the sword, and the pistol as weapons for the settlement of personal disputes, and set up in their place tribunals of various kinds. Sooner or later, society will discard the strike as a weapon for settling industrial disputes, because it is cruel, inhuman, uneconomical, and inflicts great suffering upon innocent people. If workmen can be satisfied that there are fair and impartial tribunals to hear important industrial complaints that cannot be settled between employee and employer, there should be no need of strikes, which are simply a form of war. The world has wasted many thousand men, and much property, because force, rather than justice and reason, were used.

Surely, we can work out some plan for adjusting industrial disputes that will carry out the doctrine of "live and let live," and save the waste, loss, sorrow and anguish that, under present methods, come to thousands of innocent people, a large proportion of whom are working people, who have no part or voice in the controversy or its settlement.

The Final Say

IN EVERY transaction there is one man who has the power of decision. How many times have you noticed this in selling your line. You seem to have clinched a big sale; the purchasing agent is sold solid, the office manager is with you and the superintendent, too. But the sale does not come through. Investigation shows that the general manager has turned down the purchase or perhaps the directors are not convinced.

For the want of the final "O.K." the sale is lost.

It is good sales insurance to have the men higher up thoroughly posted and soundly sold in what you have to offer. But they are hard to get at; your salesman cannot be expected to have the entree to every busy general manager's office.

There is a way to reach the executives of final purchasing power. Each week The Financial Post goes on paid invitation to more than 9,000 Canadian business folk, including 4,000 industrial executives throughout Canada. They are the men who say "O.K." to your proposition or who turn it down.

Tell your story to them through The Post. Make certain that when your proposition is presented to them—not by your salesman but by the men your salesman see—that the transaction gets their final O.K.

Sell the man who has the final say. Sell him by regular advertising in his paper—The Financial Post.

THE FINANCIAL POST

TORONTO
143 University Ave.

MONTREAL
Southam Bldg.

WINNIPEG
Confederation Life Bldg.

LONDON, ENG.
88 Fleet Street

NEW YORK
1606 St. James Bldg.

Talking to 9,000 Business Men

If you could get 9,000 Canadian business folk before you in a great hall and tell them your story you would seize the opportunity. If you knew that over 4,000 of them occupied positions of high authority in industrial and business corporations you would feel that you at last had before you the audience you have been trying to reach. That's the group of people who read The Financial Post each week.

THE FINANCIAL POST IS A MEMBER OF THE AUDIT BUREAU OF CIRCULATIONS

PRAIRIES WANT THE CROW'S NEST RATES ENFORCED

And Voting Power Carries Weight With Government

B. C. IN OPPOSITION

And That Province Presents Some Interesting Figures to Show How Trade Has Developed

From Our Own Correspondent.

OTTAWA.—The two days' hearing by the cabinet of the argument for and against the bringing into full effect of the Crow's Nest Pass agreement on July 7, brought out the fact that there is a very great deal of difference of opinion throughout the country as to the wisdom of this agreement. The prairie provinces seem to be strongly for it, though the Edmonton board of trade protested against it, as did the Manitoba Rolling Mills at Winnipeg. British Columbia, however, opposed it tooth and nail. The protests from the Maritime provinces, though not officially made, yet made through members speaking before the cabinet, were also strong.

Mr. Symington argued that the discriminations referred to by the railways were fanciful and that the Railway Commission would not permit them to exist. On the other hand, it seems to be evident that these differences in rates between certain competitive points will exist, for even if the Commission would iron them out it would take some time to do so. Of course, the danger of such differences would quickly disappear, if the railways voluntarily made these reductions, but they claim that their earnings do not warrant such action. It is claimed that earnings will drop quite a little as soon as the hang-over from last year's crop is moved out, and they say that as yet no one knows what this year's yield of wheat will be.

One of the most interesting features was the statement made by Hon. H. H. Stevens, showing the differences in the industrial situation in British Columbia that had been brought about during the last 25 years. It is an old story that at Confederation there were very few people on the prairies, that the whole of Canada raised only 16,000,000 bushels of wheat in 1870, and that we exported only 300,000 barrels of flour as compared with over 11,000,000 barrels last year.

Some Signs of Change

But very few realize that as late as 1898 it was contended that British Columbia could not profitably grow fruit for export; and yet to-day it is from that province that the prairie provinces are principally served. It is also an interseting fact that 25 years ago practically all the oil used on the prairies came from Eastern Canada, but now the most of it comes up the Pacific coast, is refined at Vancouver, Calgary and Regina and then distributed.

Then again the surprising growth of the port of Vancouver was strikingly told. It is an amazing thing that during the current crop year that port will probably ship out nearly 60,000,000 bushels of wheat, an amount equal to nearly 20,000,000 more than the total exports in the fiscal year 1919. The public hears quite a little about the effect of the Panama Canal on ocean traffic, but it is not often that this fact is brought home as it was in this hearing.

Not so very long ago British Columbia was a kind of side issue in the industrial field, but the case made out by the British Columbia members of parliament on this occasion showed plainly that conditions have changed, and that Eastern Canada will have to reckon with the Pacific province in more ways than one. In its freight rates battle it is getting much assistance from Alberta, many in that province now looking on the British Columbia ports as their real front door.

West Makes Progress in Mixed Farming

WINNIPEG.—At a gathering of loaning agents here, including bankers, discussion took place with reference to the improvement in mixed farming in the past few years. In this connection it is stated that great progress has been made in the art of butter making. In 1923, in the educational scoring contests, conducted by the federal government, Manitoba scored first place in five out of six months of the season, and also got the highest average score of the season.

This year the record of the prairie provinces promises to be equally satisfactory. In the month of May the first place was taken by the province of Saskatchewan. In this month this year Manitoba was second, Ontario third, New Brunswick fourth, Nova Scotia fifth, and Alberta sixth. No samples were secured from the other three provinces.

KEEP MONEY WORKING

The principle of keeping all money working at all times has been the policy of many big men of finance and industry. The late F. W. Woolworth was one of these. Of his $30,000,000 estate little over 1 per cent. was in cash when he died. Later his wife died and soon the inheritance tax will be due. The recent sale of the Woolworth building in New York for $11,000,000 was necessary to provide the necessary funds.

Small Building Boom Hits Southern Alberta

LETHBRIDGE.—Southern Alberta is just now enjoying a small building boom. The C.P.R. are constructing a new dam at Kimball, the federal government are spending several thousand dollars on a new boarding school for Indians on the Blood Indian reservation, and construction work will start early in July on the Kipp branch of the C.P.R. Several new railway stations are being built on the Lethbridge railway division, no less than a dozen new grain elevators are projected, while building trades report general activity in the city.

McLACHLAN USING RASH LANGUAGE

Ticket-of-Leave Radical Leader Makes Bitter Attack on Attorney-General

From Our Own Correspondent.

SYDNEY.—The radical workers of eastern Nova Scotia are not taking as much interest in the proposed changes in the Militia Act as some of the Grit and Tory newspapers, which have been wrangling bitterly for some time over Hon. E. M. Macdonald's bill.

J. B. McLachlan, who is at present out on ticket of leave from Dorchester, after serving a few months of a two year sentence for seditious libel, opines that the vital issue from the union standpoint is whether troops are to be used in strikes at all —as if they are, it makes little difference who calls them out. His viewpoint is interesting, inasmuch as he himself has in the past been the principal cause of the calling of troops to this part of the country.

Remarking that "Ed (Mr. Macdonald) is certainly bringing in the golden era," McLachlan has the following characteristic comment in his radical weekly: "What progress we are making! In future when you get your brains blown out during a strike, you will have the comfort of knowing that the job is not done by a small little judge of the County Court, but by a real, pot-bellied renegade Irish Attorney-General."

SPECIAL SAFEGUARDS ON TRUST COMPANIES

Careful Handling of Depositors' Money Regulated by Statute

Legal safeguards for depositors in trust companies in Ontario are well set out in a pamphlet published by C. D. Henderson, general manager, Union Trust. The writer believes the time opportune to let depositors know something of the legal safeguards surrounding such funds "at this time of private, judicial and governmental discussion and investigation by committee as to inspection, audit, guaranteeing of deposits, revision of Bank Act, etc." These safeguards he places under six headings, the first being "understandable financial statements." These go to depositors of over $100 and are in the standard form prescribed by the registrar of trust and loan companies, quarterly, a government summary of deposits and the cash and liquid security to meet them, is issued. The registrar of loan companies must examine, at least annually, the affairs of each company while it is pointed out that the legal status of the depositor is different, instead of being in the position of a debtor the company is a "trustee." Thus the character of the investment of such deposits is quite limited and controlled by statute. An analysis of the details shown in the annual statements shows numerous facts of importance, especially the showing of mortgage loans of any size, along with the details of all securities loaned. The final safeguard is an audit by two chartered accountants.

BUYING POWER OF FARMER SHOULD BE MUCH GREATER

(Continued from page 1)

ting another bumper harvest, with the growth making good progress and plenty of moisture up to that time. A great deal of land in this province, however, was only disced, and hot weather would quickly affect growth. Telegraph advices to THE FINANCIAL POST from the Saskatchewan Department of Agriculture, report the crops generally to be in a healthy condition, but somewhat late. General rains with good growing weather have greatly improved the crops in the Southern districts, but in the North more rain is needed. Corn in the Maple Creek district, where the acreage of this crop is the largest in Western Canada, is well advanced. Cut and wire worms and caterpillars have been doing some damage, but grasshoppers are not in evidence. Manitoba reports very satisfactory conditions generally, and in all three provinces the wheat is reported as being well rooted, generally well stooled, of good color, and in condition to make rapid advance with good growing weather.

In Eastern Canada growth is still late, but it has been catching up with more favorable weather. In Ontario fall wheat is looking well, with the fields heading out nicely and straw of good length. More potatoes and turnips than usual have been out in some of the western counties, but the latter crop has not caught so well in seeding as mangels. Considerable buckwheat is being sown to take the place of other spring crops which were missed because of the wet spring.

MAY FORCE STAND ON THE HOME BANK

Several Developments Likely to Protract the Length of the Session

From Our Own Correspondent.

OTTAWA.—The announcement of the Prime Minister that the government had not decided to withdraw the single transferable vote bill suggests the possibilities of a further delay than two weeks in prorogation. Of course, the government may yet withdraw this bill; if this is not done the opposition will fight it to a finish.

Then again the Home Bank must be reckoned with as a factor in the length of the sessions, for there is a group that will insist on a declaration of policy from the government as to its policy with respect to the depositors. The members making up this group are drawn from all parties. It is now pretty well known that the government has not desired to declare itself this session, but its hand may be forced.

Church Union and the Murdock matter are now out of the way, these questions having been dealt with so thoroughly in committee that there was very little likelihood of a protracted debate on them in the House. How much time Redistribution may take remains to be seen. During the last 10 or 15 years there has been a disposition to settle the details of this subject in committee. It probably will be so this year.

There is as yet no inkling as to the amount of supplementary estimates. Hon. J. A. Robb had hoped these might be pretty well cut out, but there is always something that must be provided for in addition to the main estimates. Usually there are not only supplementaries, but further supplementaries.

At present it looks as though Parliament would not end its labors before the week of July 14. To name an exact date is out of the question. The secessionists from the Progressive ranks and the Home Bank are two factors that must be reckoned with.

IMPROVEMENT IN THE CONDITIONS IN WEST LOOKED FOR IN FALL

(Continued from page 1)

confidence fills the purse and a long period of abstinence in the matter of the purchasing of necessities will untie the strings. Western business men are more reassured over conditions than they have been for some time and look for the fall trade to reduce prevailing overdrafts and square up the wholesalers' accounts. Another factor in western business is that the merchant has had to follow the lead of the farmer and operate on a small margin of profit. Many lines of goods, even with the freight and handling charges added, may be bought in Winnipeg as cheaply as in Toronto, and the public are thus more inclined to buy.

So far as the farmers' financial situation is concerned, it ought to show improvement this fall. Banks and mortgage companies have co-operated with the various agencies set up by the provincial governments to stabilize the farmers' indebtedness, and whereas a year or two ago the farmer could see no light ahead by reason of the staggering total of debts, he now sees a rift in the clouds, and will meet any leniency and generosity on the part of his creditors with renewed efforts to re-establish his credit on a sound basis.

Equipment and Necessities

The first purchases planned after financial obligations have been dealt with will be in the matter of equipment and clothing. Farm machinery is in many cases held together by hay wire, and no farmer realizes more than the westerner that poor equipment means loss. In the matter of clothing, the family in many cases hasn't had new garments for several years; boots they have had to get, but mostly of the stiff, heavy, cheap variety that will give the longest wear for the least money. The fat pork era is also due for a slight eclipse, and groceries will be sought to put a more comfortable aspect on the dinner table. The increasing tendency toward stock farming has brought the need for more and better buildings, and lumber and hardware should show some improvement.

However, one cannot prophesy any sudden spurt in the matter of buying, but one simple diagnosis from present conditions that the western patient will at least be convalescent this fall and that a general all-round improvement in business will result. Everybody in the West will move carefully but confidently, having faith in the integrity of the Western farmer who is making the best of a very bad job, and whose optimistic energy will go far toward paying his bills this fall and have something left over for new buying.

CANADIAN PACIFIC BRANCH LINES

WINNIPEG. -- The construction of approximately five hundred miles of branch lines in Saskatchewan and Alberta will be undertaken by the Canadian Pacific Railway this year, it is announced here by D. C. Coleman, vice-president, in charge of Western lines. Considerable work has already been carried on on some of the branch lines.

BIG TIMBER CUT IN B. C.

NELSON.—The 1924 cut of the East Kootenay Forestry District gives promise of running to a grand total of 150,000,000 feet. While the lumber demand is light, there is a brisk business in poles of longer lengths and in railway ties, and a cut of from 1,000,000 sawn ties and the usual quantity of the hewn variety is looked for, with a probable value of the year's cut totalling around $750,000.

Lumber Yards Join to Cut the Overhead

From Our Own Correspondent.

WINNIPEG.—Owing to the lessened volume of business in the lumber yards of the prairie provinces, large companies operating lines of yards are coming to agreements with reference to the closing of yards at certain points, where all the available business can be very easily done in one office and with a small staff. An illustration of this is seen in the town of Nokomis, Sask. Ten years ago there were three lumber yards in the town, all doing a thriving business. A private yard was bought out by the Beaver Lumber Company and the North American. Now the Beaver Company, which operates about 100 yards, has sold out at Nokomis to the North American Company. Similar arrangements are being made, it is said, at a number of points.

GERMANY TO DRIVE FOR EXPORT TRADE

Preparing for New Treaties to Affect Business of all Exporting Countries

From Our Own Correspondent.

NEW YORK.—London correspondents of American banks are drawing the attention of their American friends to the fact that Germany is planning to make a great drive for new export trade early in 1925. Preparations are already under way to bring about the negotiation of new commercial treaties which will affect the foreign trade of every exporting country, the United States and Canada included.

The Treaty of Versailles, the London banks are pointing out, imposed upon Germany the obligation of granting to all the nations signing the treaty one-sided more favored nation agreements. Germany was thus deprived of one of her most useful instruments for developing her foreign trade. This obligation expires in January, 1925. The Treaty made it necessary for any of the signatory nations when desirous of extending this portion of the treaty to give notice twelve months in advance. As this was not done by any of the nations interested, this portion of the treaty will lapse in January.

Freed from this restriction, Germany plans to actively stimulate her foreign trade by means of new commercial treaties.

SIR EDMUND WALKER LEFT OVER MILLION

Bulk of Estate Consists of Stocks and Bonds—Quaker Oats Heaviest Holding

Stocks and bonds make up the bulk of the estate of Sir Edmund Walker, C.O., late president of the Bank of Commerce. The valuation is $1,105,108. The bonds and stocks are as follows:

Cash	$ 3,474
Bonds:—	
For Conservatory of Music	270
Victory Bonds, 1933	73,500
Victory Bonds, 1937	5,350
Mex. Light and Power	3,000
York Land	6,945
Total	89,065
Stocks:—	
American Sales Book	2,040
Br. Empire Steel	56
Brazilian Traction	191,250
Massey Harris	56,930
Bank of Commerce	105,000
Tor. Gen. Trusts	17,388
Dunlop Tire	960
W. A. Rogers	308
Miss. River Power	9,000
Quaker Oats	299,000
Noiseless Typewriter	13,320
Can. Cement	52,200
Canada Life	22,300
Roch. Lockport & Buffalo	450
Mond Nickel Co.	6,578
Tor. Land Corp.	375
Humbervale Lands	4,000
Total	$ 781,155
Life Insurance	90,959
Real Estate	64,540
Bank Debts, etc.	72,584
Miscellaneous	3,331
Bonds	89,065
Cash	3,474
Total	$1,105,108

In addition to the above, there are certain stocks, and the contents of Sir Edmund's residence, including pictures, which the executors have not yet been able to value. The estate will be divided among the seven children.

Two More Industries for Eastern Townships

MONTREAL.—Two more industries have been brought to the Eastern Townships by the Southern Canada Power Company.

The first to arrive this year was the R. Wallace Company, of Wallingford, Conn., manufacturers of plated cutlery, a well known concern, employing over 1200 people in their American plant and doing a large business in hotel and other silverware. This company bought a very suitable factory in Cookshire and have already commenced operations. They intend to manufacture a full line of their products for home consumption in Canada, also for export within the British Empire. It it felt that this enterprise will soon rank among Canada's most progressive industries.

The second plant in this area will be that of L. Roessel and Company, manufacturers of broad silks, canton crepes, silk mixed goods, satins, and all types of fancy silks. This company is a branch of the Roessel Company in the States, which has been in business for some 60 years and manufactures in two locations below the line. Ground is now broken and construction is on the way for the first unit of a five unit plant, which will cost some two and a half million dollars when complete and employ some 700 hands.

GOVERNMENT ROBS INDUSTRY OF CAPITAL

Excessive Borrowing at Home Has Unfortunate Effect Upon General Business

From Our Own Correspondent.

MONTREAL.—The statement made at the time of the last government loan that large scale government borrowing at home was diverting capital from business finds reiteration in "Investment Items" of the Royal Securities Corporation.

The bulletin says:

"Present business and monetary conditions are due to some extent to the action of the Canadian Government and, in some instances, provincial governments, in depending to too great an extent upon investors in Canada to provide them with the capital they are constantly requiring. While the $200,000,000 refunding loan of the Dominion in September last and the $50,000,000 guaranteed issue for the Canadian National Railways, offered in January, were taken up readily by Canadian financial houses and well absorbed by the public, the effects of local subscriptions to these large government loans have not been entirely favorable. It is certain that subscriptions to these loans absorbed a large proportion of the available resources of the public during the past seven or eight months, and left an insufficient amount available for industrial investment. Few of our industrial concerns are known and appreciated sufficiently to enable them to finance outside this country except at a very heavy cost. When they do, it frequently happens that some of our most important and basic industries are controlled by outside capital along lines that may not in the end prove altogether advantageous to Canadian development. On the other hand, the Dominion Government and most of the provincial governments can secure funds on favorable terms in the New York market. The only advantage in disposing of their bonds in this country is that interest payments remain here, but this is surely outweighed by the loss of capital that should be employed in industrial development, and thus in the stabilization of Canadian employment, foreign trade and currency conditions.

"Under the policy of financing which has been followed by the Dominion Government since 1919, too large a proportion of Canadian investment funds has been absorbed in government loans, leaving an inadequate supply of capital for industrial development. It would appear to be a sound policy for Canadian governments to rely to a greater extent on the New York and London markets for their financial requirements during the next few years."

SPEED UP DRILLING FOR ALBERTA OIL

Operations Are Being Renewed on Large Scale—New Companies in Field

From Our Own Correspondent.

LETHBRIDGE.—There are indications of a renewal of operations on a large scale in the Southern Alberta border oil field. Canadian Oil and Refining Company have decided to sink a No. 2 well, just north and east of their big gasser. The gas strata will be passed, the company now arranging for a rotary rig. The McDonald Syndicate have spudded in their test well on the McIntyre Lease structure, 35 miles south, and are down about 150 feet in a hard clay formation. North of the Rogers-Imperial gasser, the Anglo-Wainwright Oil Company, Vancouver, are preparing to sink a well on the so-called Taylor lease. They have secured a rotary rig in the Smackover, Ark., field, while east of the Rogers well New York interests will drill out the holdings of Jack Reynolds, formerly with the Gladys Belle Company of Tulsa, but now an independent operator in the Alberta and Montana field. Mr. Reynolds has 15,000 acres of leases in the Rogers field.

RIORDON GOES UP FOR FORECLOSURE SALE NEXT MONTH

(Continued from page 1)

International and Riordon on the grounds of his joint connection.

But It's Logical Plan

But while denying the statement that a deal has been arranged, it can be pointed out that it would not be illogical for International to get hold of Riordon as part of its Canadian plans for expansion. Such a deal would be negotiated directly with the bondholders, if, as and when they purchase the properties at the liquidator's sale. International's engineers have not looked over the Riordon properties, but there has been some preliminary discussion between the different interests. Similar conferences have taken place with interests other than International. International seems, however, to be the most logical prospect, because the company has already decided to spend many millions in Canada and must have some high regard for the excellent timber limits of the Riordon group.

The Two Committees

There are two bondholders' groups in the case of Riordon. One, representing the holders of the 8 per cent. bonds of the Riordon Company, is taking the lead in cleaning up the company's financial situation. Their bonds are a lien on the new Kipawa mill and on vast timber areas. The other committee represents the 6 per cent. bondholders of Riordon Pulp and Paper Company and the properties they are chiefly interested in are the Hawkesbury and Merritton mills and the Ticonderoga paper mill, as well as considerable timber limits and other assets. It is believed that the two committees will continue to work together in the sale of the properties.

When the committees have gone through the formality of foreclosure sales they will then have clear titles to the properties instead of mortgages and can then sell them en bloc or in parcels as they desire, or even continue to operate individual properties or the whole organization.

Tenders for Bonds

SEALED TENDERS, marked on the outside "Tender for Bonds," will be received by the undersigned up to noon of Thursday, July 10th, for $50,000 Five Per Cent. Town of Campbellton Electric Light and Power Debentures, dated May 15th, 1924, maturing 1949, interest payable half-yearly at Campbellton, N.B.

Highest or any tender not necessarily accepted.

JOHN T. REID,
Town Clerk.

Campbellton, June 23, 1924.

DIVIDEND NUMBER 125

Hollinger Consolidated Gold Mines, Ltd.

(No Personal Liability)

A DIVIDEND of 1% on the outstanding capital stock of the Company has been declared payable on the 14th day of July, 1924, on which date cheques will be mailed to shareholders of record at the close of business on the 26th day of June, 1924.

Dated the 19th day of June, 1924.

D. A. DUNLAP,
Treasurer.

Howard Smith Paper Mills, Limited

Dividend Notice on Common and Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 1% on the Common Stock and a dividend of 2% on the Preferred Stock of the HOWARD SMITH PAPER MILLS, Limited, has been declared for the quarter ending the 30th day of June, 1924, payable on the 21st day of July, 1924, to shareholders of record at the close of business on the 10th day of July, 1924.

By Order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, June 25, 1924.

Canadian Industrial Alcohol Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of two and one-half per cent. (2½%) has been declared on the Capital Stock of this Company for the third quarter ending 30th June, 1924, payable 7th July, 1924, to shareholders of record at the close of business 30th June, 1924.

By order of the Board.

J. GIBSON LAWRENCE,
Secretary.

NIPISSING MINES CO., LTD.
Head Office, Toronto, Canada.
June 20, 1924.

THE BOARD OF DIRECTORS has to-day declared a Quarterly Dividend of THREE PER CENT., payable July 21, 1924, to shareholders of record June 30, 1924. Transfer Books close June 30, 1924, and reopen July 18, 1924.

P. C. PFEIFFER,
Treasurer.

WOODS MANUFACTURING COMPANY, LIMITED

Preferred Stock Dividend Notice

THE regular quarterly Dividend of One and three-quarters (1¾%) per cent. on the Preferred Stock of WOODS MANUFACTURING COMPANY LIMITED, for the quarter ending 30th June, 1924, has been declared payable July 2nd, 1924, to Shareholders of record June 27th, 1924.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, June 19th, 1924.

PENMANS LIMITED

Dividend Notice

NOTICE IS HEREBY GIVEN that the following Dividends have been declared for the quarter ending 31st July, 1924:

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 1st day of August to Shareholders of record of the 21st day of July, 1924.

On the Common Stock, two per cent. (2%) payable on the 15th day of August to Shareholders of record of the 5th day of August, 1924.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, 23rd June, 1924.

The Steel Company of Canada, Limited

Preference Dividend No. 52

NOTICE IS HEREBY GIVEN that a dividend of one and three-quarters per cent. on the issued and fully paid Preference Shares of the Company has been declared for the quarter ending June 30th, 1924.

Ordinary Dividend No. 30

Notice is also given that a dividend of one and three-quarters per cent. on the issued and fully paid Ordinary Shares of the Company has been declared for the quarter ending June 30th, 1924.

The above dividends are payable August 1st, 1924, to shareholders of record at close of business July 5th, 1924.

By order of the Board.

H. H. CHAMP,
Secretary.

Hamilton, Ontario, June 26th, 1924.

TO THE SHAREHOLDERS

Matachewan Rand Gold Mines, Limited

(No Personal Liability)

TAKE NOTICE that this Company has sold and transferred to Matachewan Canadian Gold, Limited, (No Personal Liability) all of its Mining Claims and has received as consideration therefor shares of the Capital Stock of that Company, which will be distributed to the Shareholders of this Company, pro rata, with their holdings.

AND FURTHER TAKE NOTICE that, pursuant to an option dated the First day of March, 1924, the Shareholders of record of this Company, as of the 23rd day of April, 1924, have had lodged to their credit with the Trusts & Guarantee Company, Limited, 210,000 shares of the Capital Stock of Matachewan Canadian Gold, Limited, (No Personal Liability) being part of the aforesaid consideration, pro rata, with their holdings.

AND FURTHER TAKE NOTICE that purchasers of shares of the Capital Stock of this Company will be entitled only to share in the assets remaining in the treasury of this company on the date the transfer of such stock is made.

DATED at Toronto, this 16th day of June, 1924.

BY ORDER OF THE BOARD.
R. E. Evans, Secretary.